



DRAFT PROSPECTUS
Dated: September 30, 2019
Please read Section 26 of the Companies Act, 2013
(This Draft Prospectus will be updated upon filing with the RoC)
Fixed Price Issue

ZIRCAR REFRACTORIES LIMITED

Our Company was originally incorporated as “Zircar Ceramics Private Limited” at Mehsana as a private company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1996, bearing Registration No. 04-29048 of 1995-96, issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of our Company was changed to “Zircar Crucibles Private Limited” pursuant to a special resolution passed by the members of our Company in an Extra-ordinary General Meeting held on April 05, 2010 and a fresh Certificate of Incorporation dated April 27, 2010 consequent upon change of name was issued by Assistant Registrar of Companies Gujarat, Dadra & Nagar Haveli. Further, the name of our Company was changed to “Zircar Refractories Private Limited” pursuant to a special resolution passed by the members of our Company in an Extra-ordinary General Meeting held on October 12, 2018 and a fresh Certificate of Incorporation dated October 16, 2018 consequent upon change of name was issued by Deputy Registrar of Companies Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into Public Limited Company pursuant to a special resolution passed by members in Extra-ordinary General Meeting of Company held on October 17, 2018 and the name of our company was changed to “Zircar Refractories Limited” vide a fresh Certificate of Incorporation dated October 31, 2018, issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U26910GJ1996PLC029048. For details of change in name and address of our Registered Office, see “Our History and Certain Corporate Matters” on page 152 of this Draft Prospectus.

Registered Office: 402 Fourth Floor, Campus Corner, St. Xaviers College Cross Road, Navrangpura, Ahmedabad Gujarat 380009 India;

Tel: +91 79 26400538; **E-mail:** cs@zircarrefractories.com; **Website:** www.zircarrefractories.com

Contact Person: Neelam Pahlani, Company Secretary and Compliance officer;

PROMOTERS OF OUR COMPANY: HIRALAL RAI AND KAMLA RAI

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF UPTO 51,00,000* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FULLY PAID OF ZIRCAR REFRACTORIES LIMITED (“THE ISSUER” OR “OUR COMPANY”) FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE) (THE “ISSUE PRICE”) AGGREGATING UPTO ₹ [●]/- LAKHS (THE “ISSUE”) OF WHICH [●] EQUITY SHARES OF FACE VALUE ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE, AGGREGATING ₹ [●]/- LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE OF ₹ [●]/- IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. This is a Fixed Price Issue in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. All Applicants, shall only participate in the issue through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank account (including UPI ID for RIIs using UPI Mechanism) (UPI ID, RIIs and UPI Mechanism are defined hereinafter) wherein the Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Application Amounts. For details, see “Issue Procedure” on page 221 of this Draft Prospectus.

RISK IN RELATION TO FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each. The Issue Price as stated in “Basis for Issue Price” on page 90 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on the EMERGE Platform of the National Stock Exchange of India Limited. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 25 of this Draft Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue; that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (‘NSE EMERGE’), in terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time. Our Company has received an in-principle approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Offer document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE

PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India
Tel: +91-22 6194 6700
Fax: +91-22 2659 8690
Website: www.pantomathgroup.com
Email: ipo@pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Unmesh Zagade
SEBI Registration No: INM000012110

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Website: www.linkintime.co.in
Email: zircar.ipo@linkintime.co.in
Investor Grievance Id: zircar.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

ISSUE PROGRAMME

ISSUE OPENS ON : [●]

ISSUE CLOSES ON: [●]

* Number of shares may need to be adjusted for Lot size upon determination of issue price

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States of America and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Draft Prospectus. References to the statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or reenactments notified thereto.

Notwithstanding the foregoing, terms in “*Description Of Equity Shares and Terms of the Article of Association*”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Key Industry Regulations and Policies*”, “*Financial Statements*”, “*Outstanding Litigation and Other Material Developments*”, will have the meaning ascribed to such terms in these respective sections.

Term	Description
“Zircar Refractories Limited”, “our Company”, “the Company”, “the Issuer Company”, and “the Issuer”	Zircar Refractories Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 402 Fourth Floor, Campus Corner, St. Xaviers College Cross Road, Navrangpura, Ahmedabad Gujarat 380009 India.
“We”, “our”, “us” or “Group”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries.

COMPANY RELATED TERMS

Term	Description
AOA/Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated February 18, 2019.
Banker to the Company	Such banks which are disclosed as bankers to the Company in the chapter titled “General Information” on page 52 of this Draft Prospectus.
Board of Directors / the Board / Our Board / Directors	The Board of Directors of our Company, including all duly constituted Committees thereof.
Branch Office	Branch Office of the company as included in the chapter titled “ <i>Our Business</i> ” beginning on page 111 of this Draft Prospectus
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of Zircar Refractories Limited being Hiralal Rai.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company being Nirav Shah.
CIN	Corporate Identification Number of our Company U26910GJ1996PLC029048.
Company Secretary and Compliance Officer / (CS)	The Company Secretary and Compliance Officer of our Company being Neelam Pahilani.
Equity Shares/Shares	The equity shares of our Company of a face value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders/Shareholders	The holders of the Equity Shares of the Company.
Group Companies/Entities	Such companies as are included in the chapter titled “Our Group Companies” beginning on page 170 of this Draft Prospectus.

Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	International Securities Identification Number. In this case being INE03K901017.
Key Management Personnel / KMP	Key Management Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations. and as identified in chapter titled “Our Management” on page 155 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board on September 25, 2019 for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MD or Managing Director	The Managing Director of our Company being Hiralal Rai.
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Nomination & Remuneration Committee	The committee of the Board of Directors constituted as the Company’s Nomination & Remuneration Committee in accordance with section 178(1) of the Companies Act, 2013 and rules made thereunder vide Board resolution dated February 18, 2019.
Non-Executive Director	Non-Executive Director of our Company being Shalini Rai.
Promoter(s)	Promoter of our company being Hiralal Rai & Kamla Rai.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “Our Promoters and Promoter Group” beginning on page 167 of this Draft Prospectus.
Registrar of Companies/ RoC	Office of Registrar of Companies, Gujarat situated at Ahmedabad.
Registered Office	The registered office of our Company situated at 402 Fourth Floor, Campus Corner, St. Xaviers College Cross Road, Navrangpura, Ahmedabad Gujarat 380009 India.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with section 178(5) of the Companies Act, 2013 and rules made thereunder vide Board resolution dated February 18, 2019.
Statutory Auditors or Auditors or Peer Reviewed Auditors	The Statutory Auditors of our Company being M/s. Patel & Jesalpura holding a valid peer review certificate dated September 16, 2016.
“you”, “your” or “yours”	Prospective Investors in this Issue.
WTD or Whole Time Director	The Whole Time Director of our Company being Alok Rai.
Warehouse	Warehouse of the company as included in the chapter titled “Our Business” beginning on page 111 of this Draft Prospectus

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to an Applicant as proof of registration of Application.
Allot / Allotment /Allotted	The Allocation of Equity Shares of our company pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant to whom the Equity Shares are being Allotted.

Term	Description
Allotment Advice	Note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Applicant	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied, includes an ASBA Applicant.
Application	An indication to make an issue during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Supported by Blocked Amount/ ASBA	An application for subscribing to the Issue, along with an authorization to self-certified syndicate bank to block the application money in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Application Amount in relation to a Application by an ASBA Applicant.
ASBA / Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad.
ASBA Form/Application Form	An application form, whether physical or electronic, used by ASBA Applicants to submit Applications which will be considered as the application for Allotment in terms of the Prospectus
Banker to the Issue/ Refund Banker/ Public Issue Bank / Escrow collection bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being [●].
Bankers to the Issue Agreement / Cash Escrow Agreement / Escrow Agreement	Banker to the Issue Agreement entered on [●] amongst our Company, Lead Manager, Sponsor Bank, the Registrar to the Issue and Public Issue Bank/ Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be allotted to successful Applicants under the Issue, described in “ <i>Issue Procedure</i> ” on page 221 of this Draft Prospectus
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the National Stock Exchange of India Limited on the following link- www.nseindia.com .
CAN/ Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number of the Applicant’s beneficiary account.
Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure applications at the

Term	Description
	Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 issued by SEBI.
Collecting Registrar and Share Transfer Agent	Registrar to an issue and share transfer agents registered with SEBI and eligible to procure Application at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Collection Centers	Centers at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker center for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The details of the Applicants including the Applicants address, names of the Applicants father/husband, investor status, occupations and bank account details
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Designated CDP Locations	Such centers of the CDPs where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Date	The date on which the Collection Banks transferred funds from the public issue accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts including the accounts linked with UPI ID, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus.
Designated Intermediaries / Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a Registrar to an Issue and Share Transfer Agent (RTA) (whose names are mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange (www.nseindia.com)
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at

Term	Description
	http://www.sebi.gov.in/ or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange/ Stock Exchange	National Stock Exchange of India Limited.
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the ASBA Applicants to the Public Issue Account and/or Refund Account and /or are unblocked, as applicable, in terms of Prospectus.
Draft Prospectus / DP	This Draft Prospectus dated September 30, 2019, filed with National Stock Exchange of India Limited.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares issued herein on the basis of the terms thereof.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Shares or Ordinary Shares	The equity shares of our Company having a face value of ₹ 10/- unless otherwise specified in the context thereof
First Applicant/ Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applications, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
Fresh Issue	Fresh issue of upto 51,00,000 Equity Shares aggregating to ₹ [●] lakhs to be issued by company pursuant to the Issue.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI notified by the SEBI.
Issue / Issue Size/ Public Issue	Initial public issue of upto 51,00,000 equity shares of face value of ₹ 10/- each of the Company for cash at a price of ₹ [●] per equity share (including a premium of ₹ [●] per equity share) aggregating upto ₹ [●] lakhs comprises a reservation of upto [●] Equity Shares aggregating upto ₹ [●] lakhs for market maker (“the market maker reservation portion”). The Issue and the Net Issue constituted [●]% and [●]% of the post-issue paid-up Equity Share capital of our Company, respectively.
Issue Agreement	The agreement dated September 25, 2019 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.

Term	Description
Issue Closing Date	The date after which Designated Intermediary will not accept any Application for this issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Issue Opening Date	The date on which the Designated Intermediary shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, including any revisions thereof.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ [●]/- per equity share.
Issue Proceeds	The proceeds of the Issue. For further information about use of the Issue Proceeds refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 83 of this Draft Prospectus.
Lead Manager/LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Listing Agreement	Unless the context specifies otherwise, this means the Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Lot size	Lot size [●] Equity Shares and in multiples of [●] Equity Shares thereof
Market Making Agreement	Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Mandate Request	Mandate request means a request initiated on the RII by Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
Market Maker	Market Maker appointed by our Company from time to time, in this case being [●] who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	[●] Equity Shares of ₹ 10/- each at ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs reserved for subscription by the Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue less the Market Maker reservation portion.
Net Proceeds	Proceeds from the Fresh Issue after deduction of Issue expenses.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India

Term	Description
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000/- but not including NRIs other than Eligible NRIs
Non-Institutional Portion	The portion of the Issue being not more than 50% of the Net Issue consisting of upto [●] Equity Shares, available for allocation to Non-Institutional Applicants, on a proportionate basis.
Non-Resident	A person resident outside India, as defined under FEMA Regulations.
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
OCB/Overseas Corporate Body	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Pricing Date	The date on which our Company in consultation with the LM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with RoC on or after Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account(s)	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts and from the Escrow Accounts, in case of Anchor Investor(s), on the Designated Date.
Public Issue / Issue size/ Initial Public Issue / Initial Public Offering/IPO/Present Issue	The Initial Public Issue of upto [●] Equity Shares of ₹ 10/- each for cash at a price of ₹ [●] per equity share including a premium of ₹ [●] per equity share aggregating upto ₹ [●] Lakhs.
Qualified Institutional Buyers / QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Refund Bank(s)/Refund Banker(s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being [●].
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.

Term	Description
Registered Brokers	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on www.nseindia.com .
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated September 30, 2019 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar/ Registrar to the Issue / RTI	Link Intime India Private Limited.
Restated Financial Information	Restated financial statements of assets and liabilities for the financial year ended March 31, 2019, 2018 and 2017 and statement of profit and loss and cash flows for the financial year ended March 31, 2019, 2018 and 2017 for our company in accordance with SEBI ICDR Regulations and other applicable laws.
Retail Individual Applicants / RIBs / Retail Individual Investors/ RIIs	Individual Applicants, submitting Application, who have Application for Equity Shares for an amount not more than ₹ 200,000 in any of the Applying options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 50% of the Net Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Applicants.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014.
Securities Law	The Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board
Self-Certified Syndicate Banks/SCSB's/SCSB	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Term	Description
SME Exchange	Emerge Platform of National Stock Exchange of India Limited
Specified securities	The equity shares issued through this Draft Prospectus/ Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI.
Syndicate ASBA Application Locations	Application Centres where an ASBA Applicant can submit their Applications in terms of SEBI Circular no CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi and Ahmedabad.
Transaction Registration Slip/TRS	The slip or document issued by the Syndicate or SCSB (only on demand), to the Applicant as proof of registration of the Application
Underwriter	[●]
Underwriting Agreement	The agreement dated [●] entered into between the Underwriter and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's Bank A/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI ID Linked bank account	Account of the RIIs, Applying in the Issue using the UPI mechanism, which will be blocked upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Application Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The mechanism using UPI that may be used by an RII to make a Application in the Issue in accordance with SEBI Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction.
Wilful defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on wilful defaulter issued by the RBI.
Working Day(s)	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in Mumbai are open for business 1. However, in respect of announcement of price band and issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Prospectus are open for business 2. In respect to the time period between the issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding

Term	Description
	Sundays and bank holidays in accordance with circular issued by SEBI.

INDUSTRY RELATED TERMS

Term	Description
CPI	Consumer Price Inflation
CSO	Central Statistics Office
DIPP	Department of Industrial Policy and Promotion
ERW MS	Electric Resistance Welding Mild Steel Pipes
FDI	Foreign Direct Investment
GST	Goods and Services Tax
GVA	Gross Value Added
IBC	Insolvency and Bankruptcy Code
IIP	Index of Industrial Production
IMF	International Monetary Fund
JV	Joint Venture
MSME	Micro, Small & Medium Enterprises
MSP	Minimum Support Price
MT	Million Tonnes
MTPA	Million Tonnes Per Annum
NB	Nominal Bore
NSP	National Steel Policy
PPP	Public-Private Partnership
RBI	Reserve Bank of India
SRTMI	Steel Research and Technology Mission of India
TMT	Thermo Mechanically Treated
UNIDO	United Nations Industrial Development Organization
US/ U.S./ USA	United States of America
WEO	World Economic Outlook

CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF(s)	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association
AS/ Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
BG/ LC	Bank Guarantee / Letter of Credit

Term	Description
Bn.	Billion
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations.
CC	Cash Credit
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CGST	Central GST
CIT	Commissioner of Income Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COPRA	The Consumer Protection Act, 1986
CSR	Corporate Social Responsibility
CST	Central Sales Tax
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings before interest, tax, depreciation and amortization.
EBITDA Margin	EBITDA divided by revenue from operations (net).
ECS	Electronic Clearing System
EGM / EGOM	Extraordinary General Meeting
EPA	The Environment Protection Act, 1986
EPS	Earnings per share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA

Term	Description
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended time to time
FI	Financial Institutions
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FV	Face Value
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
I. T. Rules	The Income Tax Rules, 1962, as amended, except as stated otherwise.
ICAI	The Institute of Chartered Accountants of India
ICDR/ ICDR Regulations/ SEBI ICDR/ SEBIs (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
ICSI	The Institute of Company Secretaries of India
IDRA	The Industrial (Development and Regulation) Act, 1951
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Act	Income Tax Act, 1961
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
M. Com	Master of Commerce

Term	Description
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small and Medium Enterprise
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NBFC	Non-Banking Finance Company
NI Act	Negotiable Instruments Act, 1881
No.	Number
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
PBT	Profit Before Tax
Pcs	Pieces
PIL	Public Interest Litigation
Pvt./(P)	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIB	Qualified Institutional Buyer
R&D	Research & Development
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.

Term	Description
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SGST	State GST
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	National Stock Exchange of India
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UPI	Unified Payments Interface
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
VCF/ Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “Main Provisions of the Article of Association” beginning on page 241 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;

- ii. In the section titled “*Financial Statements*” beginning on page 173 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 25 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 93 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

In the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on page 175 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “*Financial Statements*” beginning on page 173 of this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements*” beginning on page 173 of this Draft Prospectus.

CURRENCY OF PRESENTATION

In this Draft Prospectus, references to “Rupees” or “Rs.” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Prospectus has been obtained from publically available information and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Draft Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

Further the extent to which the market and industry data presented in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENT

This Draft Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in industry which we operate;
- Factors affecting the industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 25 and 175 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Prospectus. Neither we, our Directors, Lead Manager, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – OFFER DOCUMENT SUMMARY

OVERVIEW OF INDUSTRY

The Indian refractory industry started its journey with first line of production in Kolkata in 1874. Today, the industry comprises over 100 established units, with 11 large plants, 24 medium-scale units and the rest in the small-scale sector. However, while the refractory industry in India took off in the late 19th century, the real growth came in the late 1950s when the public sector steel plants were set up and Tata Steel embarked upon its expansion plans. Currently, the Indian refractory industry has an aggregate production capacity of 20 lakh tonnes per annum. The capacity utilization, however, currently stands at around 60 percent or 11.5-12 lakh tones per annum.

For, further details regarding this, please refer to chapter titled “*Our Industry*” beginning on page 96 of this Draft Prospectus.

OVERVIEW OF BUSINESS

We are an ISO 9001:2015 certified Company, primarily engaged in the business of manufacturing of Silicon Carbide Crucibles, Clay Graphite Crucibles & its accessories. We also undertake manufacturing of refractory products such as Clay -Graphite Refractory Components, Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) & monolithic etc. Crucibles are used primarily for melting of Non-Ferrous metals like Copper, Brass, Gun Metal, Bronze, Aluminium, Zinc, Gold and Silver etc. Our Company also manufactures refractory products such as Stands, Ingate Sleeves, Stoppers, Stopper Heads, Converter segment and liner which have industry specific use. In order to achieve management’s vision of Continuous growth, Company has decided to diversify its product portfolio and has entered a new market namely Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) which are technically niche products. It includes products such as Ladle Shroud (LS), Mono Block Stopper (MBS), Sub Entry Nozzle (SEN) etc. We are also engaged in the trading of High Alumina Well Block, Magnesia Spray Mass etc.

For, further details regarding our business, please refer to chapter titled “*Our Business*” beginning on page 111 of this Draft Prospectus.

PROMOTERS OF OUR COMPANY

Hiralal Rai and Kamla Rai are the Promoters of Our Company.

DETAILS OF THE ISSUE

This is an Initial Public Issue of upto 51,00,000 Equity Shares of face value of ₹ 10/- each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per equity share) aggregating ₹ [●] Lakhs (“The Issue”) of which [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●] per equity share, aggregating to ₹ [●] Lakhs will be reserved for subscription by Market Maker to the Issue (“Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Net Issue of [●] Equity Shares of face value of ₹ 10/- each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post-Issue paid up equity share capital of the Company.

OBJECTS OF THE ISSUE

The Net Proceeds are proposed to be utilized in the manner set out in the following table:

Sr. No.	Particulars	Amount to be financed from the Net Proceeds (₹ in lakhs)	Percentage of the net proceeds
1.	Funding of the Working Capital requirements of the Company	850.00	[●]%
2.	General Corporate Purpose*	[●]	[●]%
	Total	[●]	[●]%

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

Our Promoter and Promoter Group collectively holding 1,07,80,300 equity shares of our Company aggregating to 99.89% of the pre-issue paid-up share capital of our Company. Following are the details of shareholding of Promoters and promoter group:

Sr. No.	Name of Shareholders	Pre-Issue	
		No. of Equity Shares	% of Pre-Issue Capital
Promoters			
1.	Hiralal Rai	58,76,250	54.45
2.	Kamla Rai	25,85,850	23.96
	Sub-Total (A)	84,62,370	78.41
Promoter Group			
3.	Alok Rai	16,15,890	14.97
4.	Shalini Rai	3,42,040	3.17
5.	Archana Rai	1,80,000	1.67
6.	Arpana Rai	1,80,000	1.67
	Sub-Total (B)	23,29,930	21.48
	TOTAL (A)+(B)	1,07,80,300	99.89

SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for the financial years ended on March 31, 2019, 2018 and 2017:

(₹ in Lakhs)

Particulars	For the Financial Year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
Share Capital	1,079.20	113.20	113.20
Net Worth	3,006.62	1,639.88	1,368.37
Revenue*	5,826.44	4,551.01	4,192.54
Profit after tax	260.28	271.52	184.97
Earnings per share - After Bonus Issue (in ₹)	3.34	4.00	2.72
NAV per share - After Bonus Issue (in ₹)	27.86	24.14	20.15
Total borrowings (as per balance sheet)	2,881.69	2,777.57	2,205.33

**Revenue from operations*

AUDITOR QUALIFICATIONS

There are no Auditor qualification which have not been given effect to in the Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATIONS

Our Company is currently involved in certain litigation which is currently pending at various stages, the details of the same are summarised in the table set forth below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (₹ in lakhs)
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By the Company	Nil	Nil	Nil	2	Not Ascertainable
Against the Company	Nil	Nil	4	1	Not Ascertainable
By the Promoter	Nil	Nil	Nil	Nil	N.A.
Against the Promoter	Nil	Nil	Nil	Nil	N.A.
By the Directors	Nil	Nil	Nil	Nil	N.A.
Against the Directors	Nil	Nil	Nil	Nil	N.A.
By Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.
Against Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.

For further details in relation to legal proceedings involving our Company, Promoters and Directors, refer chapter titled “Outstanding Litigation and Material Developments” on page 195 of this Draft Prospectus.

RISK FACTORS

For, further details regarding risk involved in Business of the Company and risk in relation to the issue, refer to chapter titled “*Risk Factor*” beginning on page 25 of this Draft Prospectus.

SUMMARY OF CONTINGENT LIABILITIES

Following is the summary of the Contingent Liabilities of the Company:

(₹ in Lakhs)

Particulars	For the Financial Year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
Fringe Benefit Tax	1.18	1.18	1.18
Income Tax	22.39	22.39	29.96
Others	14.20	14.20	14.20
Total	37.77	37.77	45.34

For further details regarding the same, refer Annexure 28 of the chapter titled “*Restated Financial Information*” beginning on page 173 of this Draft Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary detail of the related party transactions entered by the Company:

Name	Relation	Nature of Transaction	For the year ended March 31,		
			2019	2018	2017
Hiralal Rai	Managing Director	Director’s Remuneration	180.00	180.00	180.00
		Rent	2.40	2.90	2.90
		Interest Paid on Loan	0.00	0.00	72.37
		Loans Received	41.70	60.20	25.70
		Loans Paid	0.00	8.62	7.24
		Converted to Equity	777.45	0.00	0.00

Kamla Rai	Director	Director's Remuneration	4.68	6.00	6.00
		Rent	2.40	2.40	2.40
		Interest Paid on Loan	0.00	0.00	2.53
		Loans Received	0.00	0.00	6.50
		Loans Paid	0.00	0.33	0.25
		Converted to Equity	27.09	0.00	0.00
Alok Rai	Director	Director's Remuneration	48.00	48.00	48.00
		Rent	13.20	13.20	13.20
		Interest Paid on Loan	0.00	0.00	26.30
		Loans Received	23.00	28.10	15.70
		Loans Paid	0.00	3.26	2.63
		Converted to Equity	300.41	0.00	0.00
Shalini Rai	Director	Director's Remuneration	5.09	6.00	6.00
		Interest Paid on Loan	0.00	0.00	1.42
		Loans Received	0.00	0.00	3.50
		Loans Paid	0.00	0.18	0.14
Jawahar Associates	Brother of Kamla Rai	Job Work Charges	0.00	0.00	54.38
Maade International	Sister Concern	Sales	0.00	49.70	78.37
		Rent Income	0.00	1.20	1.20
		Claim	0.00	0.03	0.17

For further details of the same refer the Annexure - 32 under Chapter titled “*Restated Financial Information*” beginning on page 173 of this Draft Prospectus.

DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of the Company which a Promoter of the Issuer, the Director of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Prospectus.

WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS

The weighted average price of the Shares acquired by our Promoters within last 1 (One) year from the date of filing of this Draft Prospectus are set forth in the table below:

Name of Promoters	No. of equity share acquired	Weighted average price of shares acquired (in ₹)
Hiralal Rai	53,59,870	14.51
Kamla Rai	21,71,000	1.25

AVERAGE COST OF ACQUISITION OF SHARES

The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of Promoters	No. of equity share held	Average cost of acquisition (in ₹)
Hiralal Rai	58,76,250	16.44

Kamla Rai	25,85,850	4.93
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DETAILS OF PRE-IPO PLACEMENT

Our Company does not contemplate any pre-issuance or pre-placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.

EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH

Except as mentioned below, we have not issued any Equity Shares for consideration other than cash during last one year from the date of this Draft Prospectus:

Date of Allotment/ Fully paid-up	No. of Equity Shares allotted	Face value (in ₹)	Issue Price (in ₹)	Reasons for allotment	Allottees	No. of Shares allotted
December 27, 2018	56,60,000	10	NA	Bonus Issue	Hiralal Rai	25,83,250
					Kamla Rai	20,74,250
					Alok Rai	4,52,500
					Shalini Rai	2,40,000
					Arpana Rai	1,50,000
					Archana Rai	1,50,000
					Vipul Rai	5,000
					Amit Rai	5,000
December 31, 2018	40,00,300	10	28	Conversion of Unsecured loans to equity	Hiralal Rai	27,76,620
					Kamla Rai	96,750
					Alok Rai	10,72,890
					Shalini Rai	54,040

SPLIT / CONSOLIDATION OF EQUITY SHARES

Our Company has not done any split or consolidation of Equity Shares during the last one year from the date of this Draft Prospectus.

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this Section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and which have been restated in accordance with the SEBI ICDR 2018 Regulations. To obtain a better understanding, you should read this Section in conjunction with the chapters titled “Our Business” beginning on page 111, “Our Industry” beginning on page 96 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 175 respectively, of this Draft Prospectus as well as other financial information contained herein.

Materiality:

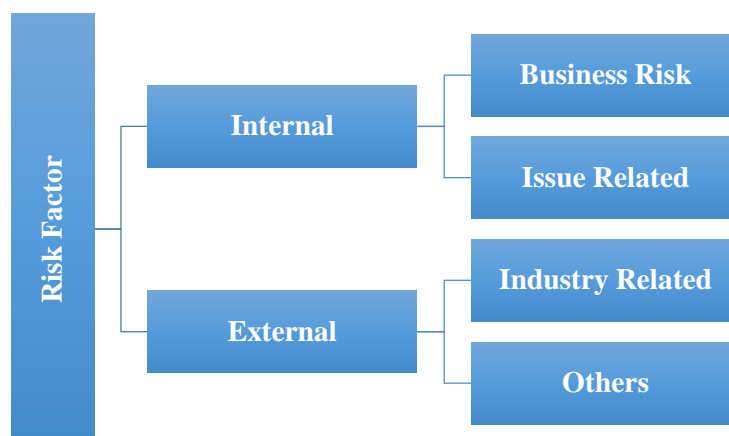
The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively; and
- Some events may not be material at present but may have material impact in future.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

In this Draft Prospectus, any discrepancies in any between total and the sums of the amount listed are due to rounding off.

The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISKS FACTORS

BUSINESS RELATED RISKS

1. Our Company is involved in certain litigations viz civil and tax proceedings which are currently pending at various stages. Any adverse decision in these proceedings may render us liable to various penalties and/or monetary compensation and may adversely affect our business and results of operations.

Also, there is no assurance that in future, we, our promoters or directors or any group companies or subsidiaries (in the future if any) may not face legal proceedings and any adverse decision in such legal proceedings may impact our business.

A classification of legal proceedings is mentioned below. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries, kindly refer the chapter titled “*Outstanding Litigation and Material Developments*” on page 195 of this Draft Prospectus.

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (₹ in lakhs)
By the Company	Nil	Nil	Nil	2	Not Ascertainable
Against the Company	Nil	Nil	5	1	Not Ascertainable
By the Promoter	Nil	Nil	Nil	Nil	N.A.
Against the Promoter	Nil	Nil	Nil	Nil	N.A.
By the Directors	Nil	Nil	Nil	Nil	N.A.
Against the Directors	Nil	Nil	Nil	Nil	N.A.
By Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.
Against Group Companies	N.A.	N.A.	N.A.	N.A.	N.A.
By the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.

*N.A. = Not Applicable.

2. Our cost of production is exposed to fluctuations in the prices of our raw materials to manufacture Crucibles and other refractory products.

We are presently engaged in the manufacturing of Silicon Carbide Crucibles, Clay Graphite Crucibles & its accessories, refractory products such as Clay -Graphite Refractory Components, Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) & monolithic etc. for the domestic market as well as for exports to international markets. The major raw materials used in our manufacturing process are different grades of SiC, Graphite, Si Metal, Ferro Silicon, Resin, Coal tar Pitch, Clay, Brown Fused Alumina (BFA), White Fused Alumina (WFA), Fused Silica, Zirmul, Fused Magnesia, Dead Burnt Magnesia (DBM), Borax, Boric Acid, Coal Tar Pitch, Quartz Powder, Frit, Hexamine Powder, Calcined Alumina, Calcined Bauxite, Zircon Sand, Tabular Alumina, Zirconia, Micro Silica, Boron Carbide, Chromite Sand, High Alumina Cement, Metallic Aluminium Powder, Raw kyanite, Quartz, Carbon Black, Reactive Alumina etc.

We source required raw materials as mentioned above domestically as well as from international markets. We are exposed to fluctuations in the price of the raw material and may be unable to control factors affecting the price directly or indirectly at which we procure such materials, particularly as we do not enter into any supply agreements with our suppliers. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in price to our customers. Particularly, we face the risk of our products becoming unaffordable for industrial use, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operation.

3. The demand and pricing in the refractories industry is volatile and are sensitive to the cyclical nature of the industries it serves. A decrease in refractories prices may have a material adverse effect on our business, results of operations, prospects and financial condition.

Refractories prices fluctuate based on a number of factors, such as the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of refractories and refractories products, worldwide production and capacity, fluctuation in the volume of refractories imports, transportation costs, protective trade measures and various social and political factors. When downturn occur in these economies /sectors, we may experience decreased demand for our products, which may lead to a decrease in refractories prices and in turn, have a material adverse effect on our business, results of operations, financial condition and prospects.

While refractories prices have considerably increased in the last year, they have been subject to fluctuation. Low refractories prices adversely affect the businesses and results of operations of refractories manufacturers generally, including ours, resulting in lower revenue and margins and write downs of finished refractories products and raw material inventories. In addition, the volatility, length and nature of business cycles affecting the refractories industry have become increasingly unpredictable, and the recurrence of another major downturn in the industry may have a material adverse impact on our business, results of operations, financial condition and prospects.

In addition, substantial decreases in refractories prices during period of economic weakness have not always been balanced by commensurate price increases during periods of economic strength. Any sustained price recovery will most likely require a broad economic recovery, in order to underpin an increase in real demand for refractories products by end users.

4. Developments in the competitive environment in the refractory industry, such as consolidation among our competitors, could have a material adverse effect on our competitive position and hence on our business, financial condition, results of operations or prospects.

We believe that the key competitive factors affecting our business include product quality, capacity creation and utilization, changes in manufacturing technology, workforce skill and productivity, operating costs, pricing power with large buyers, access to funding, the degree of regulation and access to a regular supply of raw materials. Although, we believe that we are a competitive refractory producer, we cannot assure you that we will be able to compete effectively against our

current or emerging competitors with respect to each of these key competitive factors. In the past, there have been instances of consolidation among our competitors. Further, recent changes in India's debt restructuring and insolvency laws, including the introduction of Insolvency and Bankruptcy Code, 2016, could also lead to consolidation among our competitors. In addition, our competitors may have lower leverage and /or access to cheaper sources of funding. Larger competitors may also use their resources, which may be better than ours, against us in a variety of ways, including by making additional acquisitions, investing more aggressively in product development and capacity. The market is still highly fragmented, and if the trend towards consolidation continues, we could be placed in a disadvantageous competitive position relative to other refractory manufacturer and our business, results of operations, financial condition and prospects could be materially and adversely affected. In addition, a variety of known and unknown events could have a material adverse impact on our ability to compete thereby having an impact on our business.

5. Overcapacity and oversupply in the global refractory industry may adversely affect the Company's profitability.

In recent years, driven in part by strong growth in refractories consumption in emerging markets, the global refractories industry has experienced an expansion of refractories production capacity. According to the CARE Report, the refractories market is projected to grow USD 26.3 billion by 2023, at a CAGR of 2.5% between 2018 and 2023. The growth of the refractories market is attributed to the growing iron & steel, glass, non-ferrous industries.

The increased production capacity, combined with a decrease in demand could result in production overcapacity in the global refractories industry. Such production overcapacity in the global refractories industry would intensify if the slowdown of the global economy is prolonged or demand from developing countries that have experienced significant growth in the past several years does not meet the growth in production capacity. Any production overcapacity and oversupply in the refractories industry would likely cause increased competition in refractories markets around the world which would likely lead to reduced profit margins for refractories manufacturers, and also would likely have a negative effect on the Company's ability to increase refractories production in general. No assurance can be given that the Company will be able to continue to compete in such an economic environment or that a prolonged slowdown of the global economy or production overcapacity will not have a material adverse effect on the Company's business, results of operations, financial condition or prospects.

6. Inventories and trade receivables form a major part of our current assets and net worth. Failure to manage our inventory and trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets and net worth. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture or purchase, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and dealers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers and dealers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased

working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

7. We generally do business with our customers on purchase order basis and do not enter into long-term contracts with most of them.

Our business is dependent on our continuing relationships with our customers. Our Company neither has contract with any of customers nor has any marketing tie up for our products. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

8. Our profitability and results of operations may be adversely affected in the event of any disruption in the supply of raw materials or increase in the price of raw materials, labour or other inputs.

The timely and cost effective execution of our orders are dependent on the adequate and timely supply of key raw materials. The raw material consumption contribution is 49.95 %, 48.41 %, 46.98 % of revenue from manufacturing activities for the fiscals 2019, 2018 and 2017 respectively. We do not enter into any long-term contracts for the purchase of raw materials with our suppliers. We are required to procure raw materials as per the specific instruction in terms of quality given under the purchase order. We cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them on commercially acceptable terms. If we are unable to procure the requisite quantities of raw materials in time and at commercially acceptable prices, the performance of our business and results of operations may be adversely affected.

The prices and supply of raw materials depend upon factors that are beyond our control, including but not limited to general economic conditions, transportation costs, market prices, competition, and these prices are cyclical in nature. Our ability to pass on increases in the purchase price of raw materials and other inputs may be limited in the case of contracts with limited price escalation provisions. Depending on the size of a project, these variations from estimated contract performance could have a significant effect on our profitability, financial condition and results of operations.

9. Our inability to maintain an optimal level of inventory for our operations may impact our manufacturing activity adversely.

Our daily operations largely depend on consistent inventory control which is generally dependent on our projected sales in different months of the year. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a range of products. If we over-stock inventory, our required working shall capital increase and if we under-stock inventory, our ability to meet consumer demand and our operating results may be adversely affected. Any mismatch between our planning and the actual off take by customers can impact us adversely.

Further, we procure raw materials from foreign countries, the delivery at our facility from the date of order generally takes considerable time. Our operation is majorly dependent on the supply of raw materials from our foreign suppliers. There may be cases in which supply of these raw materials are delayed for any reason which may hamper our manufacturing activity. To ensure seamless manufacturing, we need to maintain an optimum level of inventory, so that manufacturing activity is not hampered at the time of disruption in supply. Inventory of raw material is maintained as per our experience and demand of the products, our inability to maintain sufficient level of inventory may lead to operational issues.

10. Our Company exports our products to countries including Asian, African, American and European countries. Any adverse events affecting these countries could have a significant adverse impact on our results from operations.

For the year ended March 31, 2019, our revenue from export operations contributed to ₹ 1,084.61 Lakhs of the total revenue from operations. Our Company exports its products to many Asian, African, American and European countries etc. Consequently, any adverse changes in these

economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies or US Dollar, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to Environment, Health and Safety (EHS) norms, quality standards, branding or restrictions on usage of certain products/raw materials, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

11. Our business largely depends on the performance of our dealers and distributors. Any non-performance by these dealers and distributors may adversely affect our business operations, profitability and cash flows.

We mainly sell our products directly to distributors who in turn take forward the supply chain. Our business hence largely depends on the performance of our distributors, who may be responsible for selling our products to end users at domestic as well as international level. Currently, we have more than 25 distributors in domestic markets and 10 distributors in international markets at various locations. Further these distributors generally operate for a specific country/location. We can give no assurance that the performance of such distributors will meet our required specifications or performance parameters. Such distributors are independent third parties over which we do not have control. Additionally, we do not have any non-compete agreement with such distributors and in the event that such distributors enter into agreements with competitors, we may not be able to take any course of action.

Similarly, we are restricted from directly involving ourselves in marketing services in certain countries where these distributors are located. As a result, our growth, results of operations and the integrity of our brand name in these areas is dependent on the performance of these distributors. Moreover, there can be no assurance that our distributors will be able to generate adequate revenue consistently, and we may be exposed to credit risks associated with non-payment or untimely payments from our distributors.

12. We are susceptible to product liability claims that may not be covered by warranties and assurances from our suppliers or by insurance, and which, if successful, could require us to pay substantial sums.

Any defects in our products, including as a result of defective materials supplied to us, can adversely affect our business and could result in customer claims for damages or require us to undertake product recalls. Defects in our products that arise from defective materials or other inputs supplied by external suppliers may or may not be covered by warranties. An unusual number or amount of warranty claims against a supplier could adversely affect us as we depend on a limited number of suppliers for our materials. If any product liability claim sustained against us were to be not covered by insurance, it could adversely affect our business and financial condition. As a result, we may not be able to obtain the type and amount of coverage we desire at an acceptable price in the future. We also face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits. Even unsuccessful product liability claims would likely require us to spend money on litigation, divert management's time, adversely affect our goodwill and impair the marketability of our products.

13. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.

Our business is significantly dependent on the efficient and uninterrupted operation of our technology infrastructure that ensures smooth operations through various automated machines. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed latest technology and that the chances of a technological innovation are not very high in our sector we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new

found technology, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

14. There have been some instances of non-filing/ delays /incorrect filings in the past with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

In the past, there have been some instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified by RoC. Except as mentioned in this Draft Prospectus, till date, there has been no penalty levied on the Company for such delays/defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

15. Some of our corporate records including but not limited to certain secretarial records such as certain Annual Returns of the Company, Challans of certain Forms filed with ROC, Forms filed with ROC for appointment, regularization, reappointment of directors, increase in authorised share capital, allotment of equity share capital prior to year 2006 are not traceable by the Company.

Some of our corporate records including some secretarial records such as certain Annual Returns of the Company filed with ROC, Challans of certain Forms filed with ROC, Forms filed with ROC for appointment, regularisation and reappointment of directors, increase in authorised share capital, allotment of equity share capital prior to year 2006 are not traceable by the Company. While information in relation to such transactions have been disclosed in the section titled "Capital Structure", "Our History and Certain Corporate Matters" and "Our Management" in this Draft Prospectus, based on information in our statutory registers and search reports obtained, we may not be able to furnish any further documents in this regards.

16. We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.

We export our crucibles and refractory products to different countries and receive sale proceeds in foreign currency. We also import raw materials from foreign countries. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect our Company to the extent of cost of goods and sales in foreign currency terms. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

17. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course.

Company is yet to make registration under Contract Labour Registration under Section 7 of the Contract Labour (Regulation & Abolition) Act, 1970 and rules made thereunder.

In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the

operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. For more information, see chapter “Government and Other Statutory Approvals” on page 199 of this Draft Prospectus.


18. Our manufacturing facilities are located at Mehsana, Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.

Our Company has its manufacturing facilities located at Mehsana, Gujarat. Our success depends on our ability to successfully utilize these manufacturing facilities to its utmost capacities and deliver our products in order to meet our customer demands in a timely manner. Our manufacturing facilities are susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, plant and machinery, power supply or processes, performance below expected levels of output or efficiency, obsolescence, terrorist attacks, acts of war, break-ins, natural disasters such as earthquakes and industrial accidents and other similar events beyond our control. Further, our manufacturing facility is also subject to operating risks arising from compliance with the directives of government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company’s operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

Further, the activities carried out at our manufacturing facilities may be potentially dangerous to our employees/labours. While we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at our manufacturing facilities. An accident may result in personal injury to our employees or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/ or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost of defending such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

19. We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. We have two registered trademark vide application number i.e. 3110158 and 1197681 for our Corporate Logo (Device) and Corporate Name (Word mark)

respectively. However, we do not have registered trademark for our corporate name  under the Trade Marks Act, 1999 and the status for the application number 4071120 is objected.

Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for our Company. There is no guarantee that the application for registration of our logo will be accepted in favour of the Company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

20. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.

Our business is working capital intensive. A significant portion of our working capital is utilized towards inventories, trade receivables and trade payables. A brief summary of our working capital position based on our Restated Financial Information is given below:-

(₹ in lakhs)

Particulars	For the year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
A. Current Asset			
(a) Inventories	1,701.63	1,328.49	972.06
(b) Trade receivables	968.67	726.16	666.81
(c) Cash and cash equivalents	557.64	50.50	26.13
(d) Short-term loans and advances	228.91	248.40	659.36
B. Other Current Assets			
(a) Trade payables	748.15	754.71	543.35
(b) Other current liabilities	585.27	455.69	210.89
(c) Short-term provisions	46.29	70.09	33.10
Working Capital (A-B)	2,077.14	1,073.06	1,537.03
Trade Receivables as % of total current assets	28.02%	30.85%	28.69%
Inventories as % of total current assets	49.22%	56.45%	41.82%

We intend to continue growing by reaching out to new customers and also increasing sales to the existing customers and thereby reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 83 of this Draft Prospectus.

21. Our Company has negative cash flows from its operating activities in last financial year out of the past 3 years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from its operating activities in the last financial year out of previous three years as per the Restated Financial Statements and the same are summarized as under:

(₹ in lakhs)

Particulars	For the year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
Cash Flow from / (used in) Operating Activities	(127.55)	919.07	7.69

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

22. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour,

workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- Public Liability Insurance Act, 1991
- National Environment Policy, 2006
- Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

23. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.

Quality Control Inspection is an integral part of our operations. We are required to implement quality management system in respect of all crucibles and other refractory Products. Our products depend on customer's specifications according to its industrial use. We have been accredited with ISO 9001:2015 Certification for Quality Management System for manufacturing and sale of silicon carbide crucibles, clay graphite crucibles and accessories from DNV GL, Chennai. We are equipped with destructive and non-destructive testing mechanisms to monitor and control the quality of crucibles. Any failure to maintain the quality standards of our products may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

24. Our business is dependent on the adequate and uninterrupted supply of electrical power at a reasonable cost. Failure on account of unavailability of electrical power may restrict us in utilizing our full capacity and hence, may impact our business and results of operations.

Adequate and cost effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Currently, we have an electricity supply agreement with Uttar Gujarat VIJ Company Limited for a supply of 425 KVA at our Manufacturing Unit (Survey No. 306) and 99 KW (Survey No. 246/1) at our Warehouse cum Manufacturing Unit to meet our electricity requirements at our manufacturing facility. Company has DG set as an alternative supply of power but there can be no assurance that electricity supplied by them will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. Further, if the per unit cost of electricity is increased by the state electricity board, our power costs will increase and it may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins.

25. We operate in a competitive business environment, both globally and domestically. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.

The industry in which we operate is highly fragmented and intensely competitive on account of both the organized and unorganized players. Increasing competition may subject us to pricing pressures and require us to reduce the prices of our products and services in order to retain or attract customers, which may have a material adverse effect on our revenues and margins. Players in this industry generally compete with each other on key attributes such as technical competence, quality of products, customer base, pricing and timely delivery.

Further, many of our competitors are larger international and domestic companies and have access to greater resources or may be able to develop or acquire technology or partner with innovators or customers at terms which are not presently feasible for us, due to our current scale of operations. Any failure to keep abreast with technological advancements might place our competitors at an advantageous position in terms of cost, efficiency and timely delivery of final products. While we are focused on developing cost and time efficiencies and to broaden our product range, in particular in certain niche segments, in the event our competitors develop better process technology or improved process yield or are able to source raw materials at competitive prices, and are therefore able to create new products or substitutes for our products at competitive prices, we may not be able to maintain our growth rate and revenues and our profitability may decline. Any of these factors may have a material adverse effect on our business and prospects.

26. Our Company is dependent on third party transportation for the procurement of raw materials and delivery of finished products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.

Our Company uses third party transportation for procurement of raw materials and delivery of our finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition goods may be lost or damaged in transit for various reasons including but not limited to occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our goods may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure goods on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

27. We have not entered into any technical support service for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.

Our manufacturing processes involve daily use of technical equipment's and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our Company has not entered into any technical support service agreements with any competent third party. However, Company has an in-house team for maintenance and advancement of machinery. Our failure to reduce the downtime in as such events occur may adversely affect our productivity, business and results of operations.

28. Our success depends in large part upon the strength of our management team and other skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.

The continued efforts of the senior members of our management team and other skilled professionals are critical to our success. Our ability to execute engagements and to obtain new clients depends in large part on our ability to attract, train, motivate and retain skilled and unskilled professionals, especially senior management personnel, senior technical personnel, project managers and metallurgy engineers etc. If we cannot hire and retain additional qualified personnel, our ability to bid on and obtain new orders and to continue to expand our business will be impaired and our revenue could decline. We believe that there is significant competition within our industry for professionals with the skills necessary to perform the services we offer, particularly in the

locations in which we have operations. We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract hire and retain personnel. If we are unable to offer them higher compensation, we may be unable to attract or retain them. Our business, financial condition and results of operations could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

29. Our operations may be adversely affected in case of industrial accidents at our production facility.

Usage of heavy machinery, handling of sharp parts of machinery by labour during production process or otherwise, handling process of chemicals and other raw materials, short circuit of power supply for machines, etc. may result in accidents and fires, which could cause indirect injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further, our plant and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

30. The industry in which we operate is labour intensive and our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees.

Our industry being labour intensive is dependent on labour force for carrying out its operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

31. Our Company does not own the land on which our registered office and branch offices are situated which we have taken on lease.

Our Company does not own the land on which our registered office and branch offices are situated at Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Pune and Durg. These premises have been taken on lease from independent third parties for a period of either one/two/three or five years. Further, the flats for staff residences at Himalaya Royal, Mehsana, Gujarat have been taken on lease from Hiralal Rai, Kamala Rai and Alok Rai respectively for a period of one year. If any such agreement under which we occupy the premises is not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our operations which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our branch offices or staff residences to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

32. We do not have any offshore office or business place to look after our export operations.

We cater our products to both domestic as well as international markets. We provide our Crucibles and other refractory products for industrial use in India as well as outside India. However, we do not have any offshore office as a result of which we may not be able to capitalize on opportunities offered by the evolving international crucible industry in a timely manner. The business operations of our Company are handled from registered office and manufacturing facility both strategically located at Ahmedabad and Mehsana in the state Gujarat respectively and from other branch offices across country. Apart from this, our Company does not have any place of business overseas either in the nature of liaison office or corporate office. Due to this, we may not be able to expand our business effectively in the international market, thereby affecting the results of operations and profitability.

However we have a well-established distributor/dealer's network which is strategically spread across India and also outside India to cater to the needs of the end users. The overseas dealers are primarily located at Bulgaria, Egypt, Iran, Italy, Morocco, Russia, South Korea, Syria, Turkey, UAE.

33. We may be held liable for the payment of wages to the contract labour we engage in our business.

In order to retain flexibility and ensure timely availability of a pool of skilled and non-skilled workers, our Company engages contract labour throughout our manufacturing facility. Although our Company does not employ such contract labour directly, we may be held responsible for any wage payments to be made to such contract labour in the event of default by the third-party agencies, who employ them. If we are required to pay the wages of the independent contract labour, our results of operations and financial condition could be adversely affected. Further, we could be held liable for the acts committed by or omission on the part of, personnel engaged by us on a contract basis.

34. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our distribution network and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

35. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

36. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also

commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

37. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialized, could adversely affect our financial condition.

As on March 31, 2019, our Company has following contingent liabilities as per restated financial statements, the details for which are as under:

<i>(₹ in Lakhs)</i>	
Particulars	Amount Outstanding as on March 31, 2019
Claims against the company not acknowledged as debts in respect of:	
Fringe Benefit Tax	1.18
Income Tax	22.39
Others	14.20
Total	37.78

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled “*Financial Statements*” on page 173 of this Draft Prospectus.

38. The average cost of acquisition of Equity Shares by our Promoters could be lower than the issue price.

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Summary of Offer Document*” beginning on page 20 of this Draft Prospectus.

39. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies such as Standard Fire and Special Perils Policy, Burglary Policy, Money Insurance Policy, Workman's Compensation Policy, Marine Cargo Annual Turnover Policy, Business Interruption Fire Policy, Personal Accident Policy etc. for our assets, stocks etc. at our registered office and manufacturing facilities. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further, there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “*Our Business*” beginning on page 111 of this Draft Prospectus.

40. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were ₹ 1,984.98 Lakhs as per restated financials for financial year ended March 31, 2019. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “*Financial Statements as Restated*” please refer to page 173 of this Draft Prospectus.

41. Our lenders have imposed certain restrictive conditions on us under our financing arrangements.

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 190 of the Draft Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

42. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.

Since, the Issue size is less than ₹ 10,000 lakh, there is no mandatory requirement of appointing an independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

43. Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 83 of this Draft Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use Issue Proceeds towards financing the working capital requirements of the Company, General Corporate Purpose and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in FY 2019-20. The deployment of the fund is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc. For further details on the use of the Issue Proceeds, please refer chapter titled “*Objects of the Issue*” beginning on page 83 of this Draft Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Issue*” beginning on page 83 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Audit Committee will monitor the proceeds of this Issue.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

44. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the

‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

As on date of this Draft Prospectus, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page 83 of this Draft Prospectus.

45. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Issue, our Promoters and Promoter Group will collectively own [●]% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

46. Our Company has unsecured loans which are repayable on demand. Any demand loan from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

Based on Restated Financial Statement, our Company has outstanding unsecured loans as at March 31, 2019, amounting to ₹ 364.89 lakhs from banks and financial institutions that are repayable on demand to the relevant lender. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of our unsecured loans, please refer the chapter titled “*Financial Statements as Restated*” beginning on page 173 of this Draft Prospectus.

47. Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

48. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among

others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 172 of this Draft Prospectus.

49. Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel (“KMP”). They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for KMP in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

50. In addition to normal remuneration or benefits and reimbursement of expenses, our Directors, Promoters and Key Managerial Personnel (KMPs) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Our Directors, Promoters and Key Managerial Personnel (“KMPs”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, our Directors, Promoters and KMPs may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “*Capital Structure*” and “*Our Management*” on pages 62 and 155, respectively, of this Draft Prospectus.

51. We have taken guarantees from Promoters and members of Promoter Group in relation to debt facilities provided to us.

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “*Financial Indebtedness*” beginning on page 190 of this Draft Prospectus.

52. We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.

We have issued equity shares in the last twelve months at a price which may be lower than the Issue Price. Details of such issuance are given in the table below:

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Allotment
December 31, 2018	40,00,300	10	28	Conversion of Unsecured Loan into equity

However, we cannot assure that such issue is above or below the Issue Price, which will be finalized by our Company in consultation with the Lead Manager. For further details of Equity Shares issued, please refer to chapter titled, ‘*Capital Structure*’ beginning on page 62 of this Draft Prospectus.

53. We have in the past entered into related party transactions and may continue to do so in the future.

Our Company has entered into transactions with our Promoter, Promoter Group Entities and Group Companies. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "*Related Party Transactions*" in Section "*Financial Statements as Restated*" beginning on page 173 of the Draft Prospectus.

54. Industry information included in this Draft Prospectus has been derived from industry report provided by CARE Advisory Research and Training Limited. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

We have relied on the Industry Report provided by CARE Advisory Research and Training Limited for purposes of inclusion of information in this Draft Prospectus. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry report and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Prospectus.

55. Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

ISSUE SPECIFIC RISKS

56. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through fixed price method in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate

of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

57. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the stock exchange may fluctuate as a result of the factors, including:

- Volatility in the India and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

58. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares will be determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 90 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

59. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

EXTERNAL RISK FACTORS

INDUSTRY RISKS

60. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

OTHER RISKS

61. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Prospectus.

As stated in the reports of the Auditor included in this Draft Prospectus under chapter “Financial Statements as restated” beginning on page [●], the financial statements included in this Draft Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Prospectus. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

62. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, including the instances described below, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

For instance, in November 2016, the Government of India demonetized certain high-value denominations of currency. Trading and retail businesses in India were impacted for a limited period of time on account of such demonetization. Such businesses have subsequently needed to introduce additional point of sale instruments to improve their collection process.

The Government of India implemented a comprehensive national goods and services tax (“GST”) regime that combines taxes and levies by the central and state governments into a unified rate structure from July 1, 2017, which we believe will result in fundamental changes. However, given its recent introduction, there is no established practice regarding the implementation of, and compliance with, GST. The implementation of the new GST regime has increased the operational and compliance burden for Indian companies and has also led to various uncertainties. Any future increases and amendments to the GST regime may further affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

Further, the General Anti Avoidance Rules came into effect on April 1, 2017. The effect of the application of these provisions to our business in India is at present uncertain. Furthermore, the Finance Act, 2018 instituted a number of amendments to the existing direct and indirect tax regime which includes the withdrawal of long-term capital gains exemptions on equity shares, long term capital gains applicability in the hands of Foreign Institutional Investors and applicability of dividend distribution tax for certain transactions with shareholders, among others.

63. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

64. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

65. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

66. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

67. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

68. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

69. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

SECTION IV – INTRODUCTION

SUMMARY OF FINANCIAL STATEMENTS

ANNEXURE I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in lakhs)

Particulars		As at		
		March 31, 2019	March 31, 2018	March 31, 2017
I	<u>EQUITY AND LIABILITIES</u>			
(1)	Shareholders' Funds			
	(a) Share Capital	1,079.23	113.20	113.20
	(b) Reserves and Surplus	1,927.39	1,526.68	1,255.17
(2)	Non-Current Liabilities			
	(a) Long Term Borrowings	1,346.06	1,880.86	1,449.19
	(b) Deferred Tax Liabilities (Net)	292.42	209.36	176.43
	(c) Other Long Term Liabilities	14.50	14.50	14.50
	(d) Long term provisions	37.28	30.18	24.49
(3)	Current Liabilities			
	(a) Short Term Borrowings	1,003.82	642.14	641.84
	(b) Trade Payables			
	- Due to micro and small enterprises	-	-	-
	- Due to others	748.15	754.71	543.35
	(c) Other Current Liabilities	585.27	455.69	210.89
	(d) Short Term Provisions	46.29	70.09	33.10
		7,080.40	5,697.41	4,462.16
II	<u>ASSETS</u>			
(1)	Non-Current Assets			
	(a) Property, Plant and Equipment			
	(i) Tangible Assets	3,485.56	2,845.24	1,740.04
	(ii) Intangible Assets	13.06	13.39	16.78
	(iii) Capital work-in-progress	19.26	432.66	361.68
	(iv) Intangible assets under Development	-	-	-
	(b) Long Term Loans and Advances	105.68	52.58	19.29
(2)	Current Assets			
	(a) Inventories	1,701.63	1,328.49	972.06
	(b) Trade Receivables	968.67	726.16	666.81
	(c) Cash and Cash Equivalents	557.64	50.50	26.13
	(d) Short Term Loans and Advances	228.91	248.40	659.36
		7,080.40	5,697.41	4,462.16

ANNEXURE II
STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹ in lakhs)

Particulars		For the year ended		
		March 31, 2019	March 31, 2018	March 31, 2017
I.	Revenue from Operations	5,826.44	4,551.01	4,192.54
II.	Other Income	57.31	51.19	15.41
III.	Total Revenue (I + II)	5,883.75	4,602.21	4,207.95
IV.	Expenses:			
	Cost of Materials Consumed	2,824.25	2,181.68	1,948.79
	Purchase of Stock in Trade	103.40	-	-
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(61.00)	(158.85)	(125.50)
	Employee Benefit Expenses	817.64	759.35	639.19
	Finance Costs	146.30	115.57	191.96
	Depreciation and Amortization Expense	202.69	165.96	125.07
	Other Expenses	1,475.06	1,197.80	1,155.35
	Total Expenses (IV)	5,508.34	4,261.52	3,934.85
V.	Profit before Exceptional and extraordinary items and tax (III-IV)	375.40	340.68	273.10
VI.	Exceptional Items	-	-	-
VII.	Profit before Tax (V - VI)	375.40	340.68	273.10
VIII.	Extra Ordinary Items	-	-	-
IX.	Profit before Tax (VII - VIII)	375.40	340.68	273.10
X.	Tax Expense:			
	(1) Current tax	78.00	69.46	61.15
	(2) Deferred Tax	83.06	32.93	26.98
	(3) Mat Credit Entitlement	(45.93)	(33.22)	-
XI.	Restated Net Profit after Tax	260.28	271.52	184.97

ANNEXURE III
STATEMENT OF CASH FLOW AS RESTATED

(₹ in lakhs)

Particulars	As at		
	March 31, 2019	March 31, 2018	March 31, 2017
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
Net Profit before Exceptional and extraordinary item and tax	375.40	340.68	273.10
Adjusted For :			
Interest and Finance Charges	146.30	115.57	191.96
Bad Debts	0.89	-	0.28
Misc. Debit Credit Written Off	-	-	2.25
(Profit) / Loss on Sale of Fixed Assets	-	0.82	-
Interest Income	(6.87)	(1.88)	(3.38)
Depreciation	202.69	165.96	125.07
Unrealised Foreign Exchange Fluctuation Gain	(10.21)	(10.37)	6.61
Operating Cash Flow Before Working Capital Change and Exceptional and Extra Ordinary Items	708.22	610.79	595.89
Adjusted for:			
(Increase) / Decrease in Inventories	(373.14)	(356.43)	(100.59)
(Increase) / Decrease in Trade Receivable	(233.19)	(48.98)	(21.67)
(Increase) / Decrease in Short Term Loans and Advances	21.41	412.23	(523.68)
Increase / (Decrease) in Trade Payable	(6.56)	211.36	106.46
Increase / (Decrease) in Other Current Liabilities	(147.66)	104.52	(9.41)
Increase / (Decrease) in Long Term Provision	7.10	5.69	3.86
Increase / (Decrease) in Short Term Provision	7.03	19.76	6.84
Cash Flow from Operating Activities	(16.79)	958.95	57.70
Income Tax paid / Wealth Tax Paid	(110.76)	(39.88)	(50.01)
Mat Credit Entitlement	-	-	-
Net Cash flow from Operating activities	(127.55)	919.07	7.69
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
Purchase of Fixed Assets	(842.68)	(1,269.28)	(310.97)
Interest Income	6.87	1.88	3.38
Sale of Fixed Assets	-	0.69	-
Investment in Capital Work in Progress	413.40	(70.97)	(316.82)
Bank balances not considered as cash & Cash Equivalent	(509.85)	(15.06)	15.97
Long Term Loans and Advances	(7.18)	(0.06)	0.59
Net Cash used in Investing activities	(939.44)	(1,352.82)	(607.84)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
Long Term Borrowings	862.53	571.94	727.75
Short Term Borrowing	361.67	0.30	81.25
Other Long term Liabilities	-	-	-
Interest and Finance Charges	(146.30)	(115.57)	(191.96)
Dividend Paid(Including DDT)	(13.62)	(13.62)	(13.62)
Net Cash from/(used) in Financial activities	1,064.28	443.05	603.42
Net Cash Flow from the Operations	(2.71)	9.30	3.28
Opening Cash and Cash Equivalent	27.47	18.17	14.89
Closing Cash and Cash Equivalent	24.76	27.47	18.17

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	Upto 51,00,000* Equity Shares of face value of ₹ 10/- each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
<i>Of which</i>	
Market Maker Reservation Portion	Upto [●] Equity Shares of face value of ₹ 10/- each fully paid up of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
Net Issue to the Public**	Upto [●] Equity Shares of face value of ₹ 10/- each fully paid up of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
	<i>Of which:</i>
	Upto [●] Equity Shares of face value of ₹ 10/- each fully paid up of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to investors up to ₹ 2.00 lakhs.
	Upto [●] Equity Shares of face value of ₹ 10 each fully paid up of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to investors above ₹ 2.00 lakhs.
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,07,92,300 Equity Shares of face value of ₹ 10/- each.
Equity Shares outstanding after the Issue	Upto [●] Equity Shares of face value of ₹ 10/- each.
Use of Proceeds	For details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 83 of this Draft Prospectus for information on use of Issue Proceeds.

*Number of shares may need to be adjusted for lot size upon determination of issue price.

**The allocation in the net Issue to the public category shall be made as follows:

- (a) Minimum fifty percent to retail individual investors; and
- (b) Remaining to
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Notes

- This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on February 18, 2019 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on February 21, 2019.

3. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid application received. The allocation to each Retail Individual Investor shall not be less than the minimum Application Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Also, pursuant to the SEBI ICDR Regulations in case if the Retail Individual Investors category is entitled to more than the allocated portion on proportionate basis, the Retail category shall be allotted that higher percentage.
4. Subject to valid Application being received at or above the Issue Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the LM and the Designated Stock Exchange.
5. This being fixed price issue under Chapter 253(2) of the SEBI (ICDR) Regulations, 2018. However QIB can apply under HNI category.

For further details please refer to section titled '*Issue Information*' beginning on page 213 of this Draft Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as Zircar Ceramics Private Limited at Mehsana as a Private company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1996, bearing Registration No. 04-29048 of 1995-96, issued by the Registrar of Companies, Gujarat, Dadra & Nagar Havelli. Further, for reflecting the products manufactured by company, the name of our Company was changed to Zircar Crucibles Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra-ordinary General Meeting held on April 05, 2010 and a fresh Certificate of Incorporation dated April 27, 2010 consequent upon change of name was issued by Assistant Registrar of Companies Gujarat, Dadra & Nagar Havelli. Further, the name of our Company was changed to Zircar Refractories Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra-ordinary General Meeting held on October 12, 2018 and a fresh Certificate of Incorporation dated October 16, 2018 consequent upon Change of name was issued by Deputy Registrar of Companies Gujarat, Dadra & Nagar Havelli.

Subsequently, our Company was converted into Public Limited Company pursuant to a Special Resolution passed by members in Extra-ordinary General Meeting of Company held on October 17, 2018 and the name of our company was changed to Zircar Refractories Limited vide a fresh Certificate of Incorporation dated October 31, 2018, issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U26910GJ1996PLC029048.

For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled 'Our Business' and 'Our History and Certain Other Corporate Matters' beginning on page 111 and 152 of this Draft Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Zircar Refractories Limited

402 Fourth Floor, Campus Corner,
St. Xaviers College Cross Road,
Navrangpura, Ahmedabad
Gujarat 380009 India

Tel: 079-26400538

Fax: 079-26400456

Email: info@zircarrefractories.com

Website: www.zircarrefractories.com

CIN: U26910GJ1996PLC029048

REGISTRAR OF COMPANIES

Registrar of Companies, Ahmedabad, Gujarat

ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013.

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

National Stock Exchange of India Limited

Exchange Plaza, C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051,
Maharashtra, India.

Website: www.nseindia.com

BOARD OF DIRECTORS OF OUR COMPANY

The following table sets out details regarding our Board as on the date of this Draft Prospectus:

Sr. No.	Name	Age (In Years)	DIN	Address	Designation
1.	Hiralal Rai	64	00062823	43, Krishna Society, Jail Road Mehsana 384002 Gujarat India	Chairman & Managing Director
2.	Alok Rai	33	02639848	43, Krishna Society, Jail Road Mehsana 384002 Gujarat India	Whole Time Director
3.	Shalini Rai	26	07136589	43, Krishna Society, Jail Road Mehsana 384002 Gujarat India	Non-Executive Director
4.	Darsha Kikani	62	00155791	10, Sanjay Park, B/H Sunder Van, Near ISRO Satellite Road, Ambawadi Vista R, Ahmedabad 380015 Gujarat, India	Independent Director
5.	Bhavesh Parmar	43	08323419	1403, Sheth Ni Pole, Mandvi Ni Pole, Astodia Ahmedabad 380001 Gujarat, India	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 155 of this Draft Prospectus.

CHIEF FINANCIAL OFFICER

Nirav Shah

Zircar Refractories Limited

402 Fourth Floor, Campus Corner,
St. Xaviers College Cross Road,
Navrangpura, Ahmedabad
Gujarat 380009 India

Tel: 079-26400538

Fax: 079-26400456

Email: cfo@zircarrefractories.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Neelam Pahilani

Zircar Refractories Limited

402 Fourth Floor, Campus Corner,
St. Xaviers College Cross Road,
Navrangpura, Ahmedabad
Gujarat 380009 India

Tel: 079-26400538

Fax: 079-26400456

Email: cs@zircarrefractories.com

Investors can contact the Company Secretary and Compliance Officer, the LM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as UPI IDs, name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the Self certified syndicate Banks if the Bid was submitted to a SCSBs

at any of the Specified Locations, or the Registered Broker if the Application was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Applicant, Application Form number, address of the Applicant, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Application Form, name and address of the SCSBs or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Application was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

For all issue related queries and for redressal of complaints, Applicant may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

STATUTORY & PEER REVIEW AUDITOR

M/s. Patel & Jesalpura

Chartered Accountant

803/804, Samudra Annexe,

Near Classic Gold Hotel,

C G Road, Navrangpura

Ahmedabad - 380006 Gujarat

Tel: 079-26560321/0431

Email: ashokppatelca@gmail.com

Website: N.A.

Contact Person: Ashok Patel

Firm Registration No: 120802W

Membership No: 040482

Peer Review Number: 009322

M/s. Patel & Jesalpura, Chartered Accountants holds a peer review certificate dated September 16, 2016 issued by the Institute of Chartered Accountants of India.

LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises, Behind Family Court,

Bandra Kurla Complex, Bandra (East)

Mumbai 400 051, Maharashtra, India

Tel: +91 22 6194 6700

Fax: + 91 22 2659 8690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Unmesh Zagade

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai-400083, Maharashtra, India

Tel: +91 22 49186200

Fax: +91 22 49186195

Email: zircar.ipo@linkintime.co.in

Investor Grievance email: zircar.ipo@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

SEBI Registration No: INR000004058

CIN: U67190MH1999PTC118368

LEGAL ADVISOR TO THE ISSUE

M V Kini, Law Firm

Kini House, 261/263,
Near City Bank, D.N. Road, Fort,
Mumbai - 400001, Maharashtra, India

Tel: +91 22 2261 2527/ 28/ 29

Fax: +91 22 2261 2530

E-mail: vidisha@mvkini.com

Contact Person: Vidisha Krishan

Website: www.mvkini.com

BANKERS TO THE COMPANY

HDFC Bank Limited Ground Floor, Prabhu Complex, Nr. Rajkamal Petrol Pump, Mehsana Highway, Mehsana Tel: 02762-243008 Fax: N.A. E-mail: hemant.pandya@hdfcbank.com Contact Person: Hemant Pandya Website: www.hdfcbank.com	IndusInd Bank Limited Ground Floor, Shukan Business Centre, Shop No. 5, Near Fairdeal House, Swastika Cross Road, Off. CG Road, Navrangpura, Ahmedabad – 380009, India Tel: 079-26409972 Fax: N.A. E-mail: nikunj.agrawal@indusind.com Contact Person: Nikunj Agrawal Website: www.indusind.com
State Bank of India Universal Complex, Near ONGC Workshop, Highway Road, Mehsana, 384002 Gujarat India Tel: 02762-240860 Fax: 02762-240860 E-mail: sbi.05150@sbi.co.in Contact Person: Amit Srivastava Website: www.sbi.co.in	UCO Bank UCO Bhavan, Near Sanyas Ashram, Ashram Road, Ahmedabad – 380009 Gujarat India Tel: 079-26575763 Fax: N.A. E-mail: ahnmc@ucobank.co.in Contact Person: V D Nikam Website: www.ucobank.com

PUBLIC ISSUE BANK/ BANKER TO THE ISSUE AND REFUND BANKER

The Public Issue Banker will be appointed prior to filing Prospectus with the RoC.

SPONSOR BANK

The Sponsor Banker will be appointed prior to filing Prospectus with the RoC.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

A list of the Designated SCSB Branches with which an ASBA Applicants (other than an RII using the UPI Mechanism), not Applying through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Applicants (other than RIIs) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Investors Banks or Issuer Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

Registered Brokers

Applicants can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

IPO GRADING

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading agency.

APPRAISAL & MONITORING AGENCY

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is less than ₹ 10,000 lakhs. Since the Issue size is only of ₹ [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue. Further, our Company has not appointed any appraisal agency for this Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Manager is not applicable.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financial statement for the financial year ended March 31, 2019, 2018 and 2017 as included in this Draft Prospectus, our Company has not obtained any expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

FILING OF OFFER DOCUMENT

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Company Ahmedabad, Gujarat, situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013 Gujarat India.

ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Unblocking of funds from ASBA Accounts	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Application and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicant after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their Application at any stage. Non-Retail Applicants may revise their Applications upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular Applicants, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter have indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the Total Issue size Underwritten
PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India Tel: +91 22 6194 6700 Fax: +91 22 2659 8690 Email: ipo@pantomathgroup.com Contact Person: Unmesh Zagade SEBI Registration Number: INM000012110	[●]	[●]	[●]
Total	Upto [●]	[●]	[●]

**Includes [●] Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below there has been no change in the Auditors in last three financial years preceding the date of this Draft Prospectus.

Sr. No.	Name of Auditors	Date of Appointment/Resignation	Reasons
1.	M/s. G G Patel & Co. 701, Samudra Annexe, Nr. Hotel Klassic Gold, Off. C.G. Road, Ellisbridge, Ahmedabad – 380006, Gujarat, India Email: cagppatel1982@gmail.com Firm Registration Number: 126178W Peer Review Number: N.A.	December 27, 2018	Resignation due to Pre-Occupation
2.	M/s. Patel & Jesalpura. 803/804, Samudra Annexe, Nr. Hotel Klassic Gold, Off. C.G. Road, Ellisbridge, Navrangpura Ahmedabad – 380006, Gujarat, India Email: ashokppatelca@gmail.com Firm Registration Number: 120802W Peer Review Number: 009322	January 05, 2019	Appointment to fill Casual Vacancy

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into an agreement dated [●], with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making.

[●]

[●], registered with EMERGE platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making

process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange from time to time and the same shall be updated in Prospectus. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of National Stock Exchange of India Limited and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ [●]/- the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be ₹ [●]/- until the same, would be revised by National Stock Exchange of India Limited.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, [●] is acting as the sole Market Maker.
8. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity share on the Stock Exchange.
9. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars.
10. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1.	Upto 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
13. National Stock Exchange of India Limited will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
14. National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
15. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹ 20 Crore	25%	24%
₹ 20 crore to ₹ 50 crore	20%	19%
₹ 50 to ₹ 80 crore	15%	14%
Above ₹ 80 crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / National Stock Exchange of India Limited from time to time.

17. All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

Our Equity Share capital, as at the date of this Draft Prospectus and after the proposed Issue is set forth below:

(₹ in lakhs, except share data)

Particulars		Aggregate Value at Face Value	Aggregate Value at Issue Price
A.	AUTHORISED SHARE CAPITAL		
	2,00,00,000 Equity Shares of ₹ 10/- each.	2,000.00	
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	1,07,92,300 Equity Shares of ₹ 10/- each	1,079.23	
C.	PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS		
	Issue of Upto 51,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share	Upto 510.00	[●]
	<i>Consisting:</i>		
	Reservation for Market Maker of Upto [●] Equity Shares	[●]	[●]
	Net Issue to Public of Upto [●] Equity Shares	[●]	[●]
	<i>Of the Net Issue to the Public</i>		
	Allocation to Retail Individual Investors of Upto [●] Equity Shares	[●]	[●]
	Allocation to other than Retail Individual Investors of upto [●] Equity Shares	[●]	[●]
D.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
	[●] Equity Shares of ₹ 10/- each		[●]
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		720.05
	After the Issue		[●]

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 18, 2019 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-ordinary General Meeting held on February 21, 2019.

The Company has one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All Equity Shares issued are fully paid-up.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

Notes to Capital Structure

1. Details of change in authorised share capital since incorporation

Since the incorporation of our company, the authorised share capital of our company has been altered in the manner set forth below: -

Particulars of Change		Date of Shareholder's Meeting	AGM/EGM
Increased / Reclassified from	Increased / Reclassified to		
The authorized share capital of our Company on incorporation comprised of ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10/- each.		On Incorporation	-
₹ 1,00,000 consisting of 10,000 Equity Shares of ₹ 10/- each.	₹ 30,00,000 consisting of 3,00,000 Equity Shares of ₹ 10/- each.	April 21, 1997	EGM
₹ 30,00,000 consisting of 3,00,000 Equity Shares of ₹ 10/- each.	₹ 75,00,000 consisting of 7,50,000 Equity Shares of ₹ 10 each.	October 11, 1998	EGM
₹ 75,00,000 consisting of 7,50,000 Equity Shares of ₹ 10/- each.	₹ 75,00,000 consisting of 6,20,000 Equity Shares of ₹ 10 each and 1,30,000 Cumulative Redeemable Preference Shares of ₹ 10/- each.	January 09, 2002	EGM
₹ 75,00,000 consisting of 6,20,000 Equity Shares of ₹ 10 each and 1,30,000 Cumulative Redeemable Preference Shares of ₹ 10/- each.	₹ 1,00,00,000 consisting of 6,20,000 Equity Shares of ₹ 10/- each and 3,80,000 Cumulative Redeemable Preference Shares of ₹ 10/- each.	September 24, 2004	EGM
₹ 1,00,00,000 consisting of 6,20,000 Equity Shares of ₹ 10/- each and 3,80,000 Cumulative Redeemable Preference Shares of ₹ 10/- each	₹ 1,25,00,000 consisting of 8,70,000 Equity Shares of ₹ 10/- each and 3,80,000 Cumulative Redeemable Preference Shares of ₹ 10/- each	May 05, 2005	EGM
₹ 1,25,00,000 consisting of 8,70,000 Equity Shares of ₹ 10/- each and 3,80,000 Cumulative Redeemable Preference Shares of ₹ 10/- each.	₹ 1,25,00,000 consisting of 12,50,000 Equity Shares of ₹ 10/- each.	January 10, 2011	EGM
₹ 1,25,00,000 consisting of 12,50,000 Equity Shares of ₹ 10/- each.	₹ 20,00,00,000 consisting of 2,00,00,000 Equity Shares of ₹ 10/- each.	December 04, 2018	EGM

2. History of Equity Share Capital of our Company

A. The following is the history of the Equity Share Capital of our Company:

Date of Allotment	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in ₹)
On Incorporation	1,000	10	10.00	Cash	Subscription to MoA ⁽¹⁾	1,000	10,000
October 24, 1997	89,000	10	10.00	Cash	Further Allotment ⁽²⁾	90,000	9,00,000
March 24, 1998	1,51,700	10	10.00	Cash	Further Allotment ⁽³⁾	2,41,700	24,17,000
December 10, 1998	1,63,800	10	10.00	Cash	Further Allotment ⁽⁴⁾	4,05,500	40,55,000
March 31, 1999	84,500	10	10.00	Cash	Further Allotment ⁽⁵⁾	4,90,000	49,00,000
August 07, 1999	1,10,000	10	10.00	Cash	Further Allotment ⁽⁶⁾	6,00,000	60,00,000
October 26, 1999	20,000	10	10.00	Cash	Further Allotment ⁽⁷⁾	6,20,000	62,00,000
September 01, 2005	1,00,000	10	10.00	Cash	Further Allotment ⁽⁸⁾	7,20,000	72,00,000
January 23, 2012	2,80,000	10	35.00	Other than Cash	Conversion of Unsecured Loan into equity ⁽⁹⁾	10,00,000	1,00,00,000
March 30, 2012	1,32,000	10	35.00	Other than Cash	Conversion of Unsecured Loan into equity ⁽¹⁰⁾	11,32,000	1,13,20,000
December 27, 2018	56,60,000	10	N.A.	Other than Cash	Bonus Issue ⁽¹¹⁾	67,92,000	6,79,20,000
December 31, 2018	40,00,300	10	28.00	Other than Cash	Conversion of Unsecured Loan into equity ⁽¹²⁾	1,07,92,300	10,79,23,000

(i) Initial Subscribers to Memorandum of Association subscribed 1,000 Equity Shares of face value of ₹ 10/- each fully paid at par, as per the details given below:

Sr. No.	Name of Subscribers	No. of shares Allotted
1.	Pramod Bhatt	500
2.	Himanshu Dave	500
	Total	1,000

(ii) Further Allotment of 89,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on October 24, 1997 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Pramod Bhatt	13,500
2.	Ramesh Bhatt	1,700
3.	Chandulal Bhatt	1,800

Sr. No.	Name of Person	No. of shares Allotted
4.	Himanshu Dave	7,700
5.	Jagdish Dave	3,300
6.	Vasuben Dave	1,500
7.	Naimesh Dave	1,500
8.	Jignesh Dave	1,500
9.	Hiralal Rai	35,000
10.	Vigilant Traders & Finances Ltd.	9,000
11.	Arvind Raval	3,000
12.	Deviyaniben Raval	6,500
13.	Brijesh Raval	3,000
	Total	89,000

- (iii) Further Allotment of 1,51,700 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on March 24, 1998 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Veena Bhatt	8,500
2.	Ramesh Bhatt	18,900
3.	Bhogindraprasad Bhatt	4,000
4.	Chandulal Bhatt	1,800
5.	Vanita Bhatt	1,500
6.	Rajeshwari Bhatt	1,500
7.	Bipin Bhatt	6,000
8.	Pramod Bhatt	6,000
9.	Himanshu Dave	20,000
10.	Hiralal Rai	60,000
11.	Vigilant Traders & Finances Ltd.	5,000
12.	Ritesh Raval	7,500
13.	Maheshvariben Dave	3,500
14.	Jagdish Dave	5,000
15.	Deviyaniben Raval	1,500
16.	Brijesh Raval	1,000
	Total	1,51,700

- (iv) Further Allotment of 1,63,800 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on December 10, 1998 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Hiralal Rai	76,000
2.	Jagdish Dave	22,500
3.	Bhogindraprasad Bhatt	11,000
4.	Arvind Raval	5,000
5.	Ritesh Raval	3,500
6.	Veena Bhatt	2,500
7.	Vanita Bhatt	10,000
8.	Chandulal Bhatt	6,400
9.	Ramesh Bhatt	1,400
10.	Bipin Bhatt	7,000

Sr. No.	Name of Person	No. of shares Allotted
11.	Prafullaben Bhatt	6,000
12.	Himanshu Dave	4,000
13.	Dashrathlal Raval	3,500
14.	Rajeshwari Bhatt	2,500
15.	Devyani Raval	2,500
	Total	1,63,800

- (v) Further Allotment of 84,500 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on March 31, 1999 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Kamla Rai	40,000
2.	Manoj Kumar Rai	10,000
3.	Vijay Prakash Rai	10,000
4.	Himanshu Dave	3,000
5.	Vanitaben Bhatt	2,000
6.	Rajeswari Bhatt	2,000
7.	Dashrathlal Raval	7,500
8.	Arvindkumar Raval	3,000
9.	Bipinkumar Bhatt	5,000
10.	Deviyaniben Raval	1,000
11.	Prafullaben Bhatt	1,000
	Total	84,500

- (vi) Further Allotment of 1,10,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on August 07, 1999 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Kamla Rai	55,000
2.	Bhogindraprasad Bhatt	4,350
3.	Ramesh Bhatt	4,000
4.	Prafullaben Bhatt	9,600
5.	Naimesh Dave	20,000
6.	Rajeshwari Bhatt	4,600
7.	Dashrathlal Raval	3,950
8.	Veena Bhatt	3,400
9.	Vanita Bhatt	5,100
	Total	1,10,000

- (vii) Further Allotment of 20,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on October 26, 1999 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Kamla Rai	10,000
2.	Arvind Raval	1,500
3.	Devyani Raval	1,500
4.	Brijesh Raval	1,500
5.	Naimesh Dave	2,500
6.	Veena Bhatt	3,000
	Total	20,000

- (viii) Further Allotment of 1,00,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each equity shares on September 01, 2005 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Kamla Enterprise	1,00,000
	Total	1,00,000

- (ix) Further Allotment of 2,80,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 35/- each equity shares on January 23, 2012 pursuant to conversion of Unsecured loan into Equity as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Hiralal Rai	80,000
2.	Kamla Rai	1,50,000
3.	Alok Rai	25,000
4.	Shalini Rai	25,000
	Total	2,80,000

- (x) Further Allotment of 1,32,000 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 35/- each equity shares on March 30, 2012 pursuant to conversion of Unsecured loan into Equity as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Hiralal Rai	21,000
2.	Kamla Rai	28,000
3.	Alok Rai	20,000
4.	Shalini Rai	23,000
5.	Arpana Rai	20,000
6.	Archana Rai	20,000
	Total	1,32,000

- (xi) Bonus Issue of 56,60,000 Equity Shares in the ratio of 5:1 (Five shares for each share held) of face value of ₹ 10/- each fully paid on December 27, 2018 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Hiralal Rai	25,83,250
2.	Kamla Rai	20,74,250
3.	Alok Rai	4,52,500
4.	Shalini Rai	2,40,000
5.	Arpana Rai	1,50,000
6.	Archana Rai	1,50,000
7.	Vipul Rai	5,000
8.	Amit Rai	5,000
	Total	56,60,000

- (xii) Further Allotment of 40,00,300 Equity Shares of face value of ₹ 10/- each fully paid at a price of ₹ 28/- each equity shares on December 31, 2018 pursuant to conversion of Unsecured loan into Equity as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Hiralal Rai	27,76,620
2.	Kamla Rai	96,750
3.	Alok Rai	10,72,890
4.	Shalini Rai	54,040

Sr. No.	Name of Person	No. of shares Allotted
	Total	40,00,300

3. We have not issued any Equity Shares for consideration other than cash except as mentioned below:

Date of Allotment *	No. of Equity Shares allotted	Face Value (in ₹)	Issue Price (in ₹)	Reasons for allotment	Benefits accrued to our Company
January 23, 2012	2,80,000	10	35	Conversion of Unsecured Loan into Equity	Debt is converted into fixed Capital
March 30, 2012	1,32,000	10	35	Conversion of Unsecured Loan into Equity	Debt is converted into fixed Capital
December 27, 2018	56,60,000	10	-	Bonus Issue	Capitalisation of Reserves
December 31, 2018	40,00,300	10	28	Conversion of Unsecured Loan into Equity	Debt is converted into fixed Capital

4. As on date of this Draft Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.

5. Our company has not issued any shares pursuant to an Employee Stock Option Scheme.

6. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

7. We have not issued any shares at a price below issue price within last one year from the date of this Draft Prospectus except as given below:

Date of Allotment	No. of Equity Shares allotted	Face Value (in ₹)	Issue Price (in ₹)	Reasons for allotment	Name of Allottee	Number of Shares	Whether they form part of Promoter Group
December 27, 2018	56,60,000	10	-	Bonus Issue	Hiralal Rai	25,83,250	Promoter
					Kamla Rai	20,74,250	Promoter
					Alok Rai	4,52,500	Promoter Group
					Shalini Rai	2,40,000	Promoter Group
					Arpana Rai	1,50,000	Promoter Group
					Archana Rai	1,50,000	Promoter Group
					Vipul Rai	5,000	Public
					Amit Rai	5,000	Public
December 31, 2018	40,00,300	10	28	Conversion of Unsecured Loan	Hiralal Rai	27,76,620	Promoter
					Kamla Rai	96,750	Promoter
					Alok Rai	10,72,890	Promoter Group
					Shalini Rai	54,040	Promoter Group

8. As on date of this Draft Prospectus, our Company has issued preference shares.

Date of Allotment	No. of Preference Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Nature of consideration	Nature of Allotment	Cumulative no. of Preference Shares	Cumulative paid-up Preference Capital (in ₹)
January 10, 2002	1,30,000	10	10	Cash	Issue of Redeemable Preference Shares ⁽¹⁾	1,30,000	13,00,000
September 28, 2004	2,50,000	10	10	Cash	Issue of Redeemable Preference Shares ⁽²⁾	3,80,000	38,00,000
September 01, 2009	(3,80,000)	10	15	Cash	Redemption of Redeemable Preference Shares ⁽³⁾	-	-

- (i) Allotment of 1,30,000 15% Redeemable Preference Shares (Series I) of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each on January 10, 2002 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	H L Rai	30,000
2.	Kamla H Rai	25,000
3.	M K Rai	5,000
4.	V P Rai	5,000
5.	Pramod C Bhatt	5,000
6.	Prafullaben Bhatt	5,000
7.	Chandulal M Bhatt	5,000
8.	Naimesh J Dave	10,000
9.	Himanshu J Dave	16,000
10.	Bipinkumar C Bhatt	10,000
11.	Veenaben B Bhatt	10,000
12.	Rameshkumar C Bhatt	4,000
	Total	1,30,000

- (ii) Allotment of 2,50,000 Cumulative Preference Shares (Series II) of face value of ₹ 10/- each fully paid at a price of ₹ 10/- each on September 28, 2004 as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	B C Bhatt	2,500
2.	Bipin C Bhatt	2,500
3.	Chandulal M Bhatt	9,000
4.	Dashrathlal M Raval	4,000
5.	Himanshu J Dave	6,000
6.	H L Rai	1,23,000
7.	Jagdishchandra M Dave	7,000
8.	Kamla H Rai	5,000
9.	K D Dave	10,000

Sr. No.	Name of Person	No. of shares Allotted
10.	Manoj Kumar Rai	15,000
11.	Naimesh J Dave	6,000
12.	Prafullaben P Bhatt	5,000
13.	Pramodkumar C Bhatt	25,000
14.	Rameshkumar C Bhatt	5,000
15.	Vanitaben B Bhatt	2,500
16.	Vijay Prakash Rai	10,000
17.	Vinaben B Bhatt	12,500
	Total	2,50,000

(iii) Redemption of 3,80,000 Redeemable Preference Shares (Series I & II) of face value of ₹ 10/- each fully paid at a price of ₹ 15/- each on September 01, 2009 as per the details given below:

➤ Series I

Sr. No.	Name of Person	No. of shares redeemed
1.	Alok H Rai	5,000
2.	Bipinchandra C Bhatt	10,000
3.	Chandulal M Bhatt	5,000
4.	Himanshu J Dave	16,000
5.	Hiralal R Rai	35,000
6.	Naimesh J Dave	10,000
7.	Pramodkumar C Bhatt	5,000
8.	Rameshkumar C Bhatt	4,000
9.	Kamla H Rai	25,000
10.	Prafullaben P Bhatt	5,000
11.	Veenaben B Bhatt	10,000
	Total	1,30,000

➤ Series II

Sr. No.	Name of Person	No. of shares redeemed
1.	Bhogindraprasad C Bhatt	2,500
2.	Bipinchandra C Bhatt	2,500
3.	Chandulal M Bhatt	9,000
4.	Dashrathlal M Raval	4,000
5.	Himanshu J Dave	6,000
6.	Hiralal Rai	1,43,000
7.	Jagdishchandra M Dave	7,000
8.	Kiritkumar D Dave	10,000
9.	Naimeshkumar J Dave	6,000
10.	Pramodkumar C Bhatt	25,000
11.	Rameshkumar C Bhatt	5,000
12.	Prafullaben P Bhatt	5,000
13.	Vanitaben B Bhatt	12,500
14.	Veenaben B Bhatt	12,500
	Total	2,50,000

9. Build-up of Promoters' capital, Promoter's contribution and lock-in

i. Build-up of Promoters' shareholdings:

As on the date of this Draft Prospectus our Promoters Hiralal Rai and Kamla Rai together hold 84,62,370 Equity Shares, constituting 78.41% of the issued, subscribed and paid-up Equity Share capital of our Company. The built-up of shareholding of Promoters are as follows:

a. Hiralal Rai**

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue/ Acquisition Price*	Nature of Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
October 24, 1997	35,000	10	10	Cash	Further Allotment	0.32	[●]
March 24, 1998	60,000	10	10	Cash	Further Allotment	0.56	[●]
December 10, 1998	76,000	10	10	Cash	Further Allotment	0.70	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Pramod Bhatt	0.05	[●]
January 23, 2010	6,000	10	55.139	Cash	Transfer from Baldev Raval	0.06	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Sandip Raval	0.05	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Pinakin Bhatt	0.05	[●]
January 23, 2010	6,700	10	55.139	Cash	Transfer from Nirmalaben Raval	0.06	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Lalitaben Bhatt	0.05	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Hitesh Raval	0.05	[●]
January 23, 2010	6,500	10	55.139	Cash	Transfer from Jayshree Dave	0.06	[●]

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue/ Acquisition Price*	Nature of Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
January 23, 2010	13,000	10	55.139	Cash	Transfer from Deviyaniiben Raval	0.12	[●]
January 23, 2010	18,000	10	55.139	Cash	Transfer from Brijesh Raval	0.17	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Nirali Bhatt	0.05	[●]
January 23, 2010	6,400	10	55.139	Cash	Transfer from Manisha Raval	0.06	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Dharmendra D Raval	0.05	[●]
January 23, 2010	8,350	10	55.139	Cash	Transfer from Amitkumar Bhatt	0.08	[●]
January 23, 2010	6,500	10	55.139	Cash	Transfer from Piyush Raval	0.06	[●]
January 23, 2010	6,000	10	55.139	Cash	Transfer from Babubhai Raval	0.06	[●]
January 23, 2010	6,000	10	55.139	Cash	Transfer from Beenaben Bhatt	0.06	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Pranshankar Raval	0.05	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Dharmendra Mohanlal Raval	0.05	[●]
January 23, 2010	6,000	10	55.139	Cash	Transfer from Riteshkumar D. Raval	0.06	[●]
January 23, 2010	10,000	10	55.139	Cash	Transfer from Jignesh J Dave	0.09	[●]
January 23, 2010	10,000	10	55.139	Cash	Transfer from Amitaben J Dave	0.09	[●]

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue/ Acquisition Price*	Nature of Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
January 23, 2010	5,000	10	55.139	Cash	Transfer from Bhogiprasad Bhatt	0.05	[●]
January 23, 2010	6,000	10	55.139	Cash	Transfer from Chirag B Bhatt	0.06	[●]
January 23, 2010	5,500	10	55.139	Cash	Transfer from Darshanben B Bhatt	0.05	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Prafullaben Raval	0.05	[●]
January 23, 2010	7,000	10	55.139	Cash	Transfer from Jigar Bipinchandra Bhatt	0.06	[●]
January 23, 2010	7,000	10	55.139	Cash	Transfer from Dineshchandra D Dave	0.06	[●]
January 23, 2010	9,000	10	55.139	Cash	Transfer from Himanshu Dave	0.08	[●]
January 23, 2010	10,800	10	55.139	Cash	Transfer from Vasumatiben Bhatt	0.10	[●]
January 23, 2010	8,000	10	55.139	Cash	Transfer from Ilaben Dave	0.07	[●]
January 23, 2010	4,600	10	55.139	Cash	Transfer from Rashmiben Dave	0.04	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Kalpeshbhai Raval	0.05	[●]
January 23, 2010	7,500	10	55.139	Cash	Transfer from Naimesh J. Dave	0.07	[●]
January 23, 2010	4,600	10	55.139	Cash	Transfer from Rajeshwari Bhatt	0.04	[●]
January 23, 2010	7,200	10	55.139	Cash	Transfer from Manish Dave	0.07	[●]

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue/ Acquisition Price*	Nature of Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
January 23, 2012	80,000	10	35	Other than Cash	Conversion of Unsecured Loan into equity	0.74	[●]
March 30, 2012	21,000	10	35	Other than Cash	Conversion of Unsecured Loan into equity	0.19	[●]
October 08, 2018	(1,000)	10	-	-	Gift to Amit Rai	(0.01)	[●]
October 08, 2018	(1,000)	10	-	-	Gift to Vipul Rai	(0.01)	[●]
December 27, 2018	25,83,250	10	-	Other than Cash	Bonus Issue	23.94	[●]
December 31, 2018	27,76,620	10	28	Other than Cash	Conversion of Unsecured Loan into equity	25.73	[●]
Total	58,76,520					54.45	[●]

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.*

b. Kamla Rai**

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue/ Acquisition Price*	Nature of Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
March 31, 1999	40,000	10	10	Cash	Further Allotment	0.37	[●]
August 07, 1999	55,000	10	10	Cash	Further Allotment	0.51	[●]
October 26, 1999	10,000	10	10	Cash	Further Allotment	0.09	[●]
October 16, 2006	1,00,000	10	10	Cash	Transfer from Kamla Enterprise	0.93	[●]
January 23, 2010	6,900	10	55.139	Cash	Transfer from Veena Bhatt	0.06	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Bipinchandra Bhatt	0.05	[●]
January 23, 2010	5,000	10	55.139	Cash	Transfer from Jyostanaben Bhatt	0.05	[●]

Date of Allotment / Transfer	No. of Equity Shares	Face Value	Issue/ Acquisition Price*	Nature of Consideration	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
January 23, 2010	5,000	10	55.139	Cash	Transfer from Prafullaben Promodkumar Bhatt	0.05	[●]
January 23, 2010	9,950	10	55.139	Cash	Transfer from Dashrathalal M Raval	0.09	[●]
January 23, 2012	1,50,000	10	35	Other than Cash	Conversion of Unsecured Loan into equity	1.39	[●]
March 30, 2012	28,000	10	35	Other than Cash	Conversion of Unsecured Loan into equity	0.26	[●]
December 27, 2018	20,74,250	10	-	Other than Cash	Bonus Issue	19.22	[●]
December 31, 2018	96,750	10	28	Other than cash	Conversion of Unsecured Loan into equity	0.90	[●]
Total	25,85,850					23.96	[●]

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.*

*** The Equity Shares transferred on January 23, 2010 is pursuant to a Share Sale and Purchase agreement dated January 06, 2010 entered between Pramodkumar Chandulal Bhatt & their associates (to be referred as ‘sellers’) and Hiralal Ramadhar Rai & their associates (to be referred as ‘purchasers’)*

ii. Build-up of Promoters' shareholdings:

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoters Contribution") and shall be locked-in for a period of three years from the date of allotment of equity shares issued pursuant to this Issue. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20 % of the post Issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue. The Equity Shares which are being locked in for 3 (three) years from the date of Allotment are as follows:

No. of Equity Shares Locked in	Face Value (in `)	Issue/ Acquisition Price	Date of Allotment/Acquisition /Transfer	Nature of Allotment/ Transfer	% of post-Issue paid-up capital	Lock in period
Hiralal Rai						
[•]	[•]	[•]	[•]	[•]	[•]	[•]
Kamla Rai						
[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]	[•]

Note: The above table will be updated in the Prospectus proposed to be filed with the Registrar of Companies.

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' Contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, we confirm the following:

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the Issue price.
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form; and
- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

i. Details of Share Capital locked in for one year

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

ii. Other requirements in respect of lock-in:

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 242(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the specified securities till the lock-in period stipulated in these regulations has expired.

The Equity Shares held by our Promoters which are locked-in may be transferred to and amongst the Promoter Group entities or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the equity shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, along with the equity shares proposed to be transferred, provided that lock-in on such equity shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended and in compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of [●] % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India.

10. None of the members of the Promoter group, Our Promoters, the Directors of our Company and their relatives have purchased or sold Equity shares during the period of six months immediately preceding the date of filing of this Draft Prospectus.

11. Our Shareholding Pattern:

The table below represents the shareholding pattern of our Company:-

i. Summary of shareholding pattern as on the date of this Draft Prospectus:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total no. of shares held	Shareholding as % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Right held in each class of securities				No. of Shares Underlying convertible securities (including Warrant)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								Class Equity X	Class Others Y	Total	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held	No. (a)	As a % of total Shares held(b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI) = (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
A	Promoter & Promoter Group	6	1,07,80,300	-	-	1,07,80,300	99.89	1,07,80,300	-	1,07,80,300	99.89	-	-	-	-	-	-	1,07,80,300
B	Public	2	12,000	-	-	12,000	0.11	12,000	-	12,000	0.11	-	-	-	-	-	-	12,000

C	Non-Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	8	1,07,92,300	-	-	1,07,92,300	100.00	1,07,92,300	-	1,07,92,300	100.00	-	-	-	-	-	-	1,07,92,300

**As on the date of this Draft Prospectus 1 Equity Shares holds 1 vote.*

**** All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on Emerge Platform of National stock Exchange of India Limited.**

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Shares.

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12. Following are the details of the holding of securities of persons belonging to category “Promoter and Promoter Group”:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post - Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
Promoters					
1.	Hiralal Rai	58,76,520	54.45	[•]	[•]
2.	Kamla Rai	25,85,850	23.96	[•]	[•]
	Sub-Total (A)	84,62,370	78.41	[•]	[•]
Promoter-Group					
3.	Alok Rai	16,15,890	14.97	[•]	[•]
4.	Shalini Rai	3,42,040	3.17	[•]	[•]
5.	Archana Rai	1,80,000	1.67	[•]	[•]
6.	Arpana Rai	1,80,000	1.67	[•]	[•]
	Sub-Total (B)	23,29,930	21.48	[•]	[•]
	TOTAL (A)+(B)	1,07,80,300	99.89	[•]	[•]

13. The list of the shareholders of the company holding 1% or more of the paid up share capital aggregating to 80% or more of the paid up share capital of the company:

a. As on the date of this Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1.	Hiralal Rai	58,76,250	54.45
2.	Kamla Rai	25,85,850	23.96
3.	Alok Rai	16,15,890	14.97
4.	Shalini Rai	3,42,040	3.17
5.	Arpana Rai	1,80,000	1.67
6.	Archana Rai	1,80,000	1.67
	Total	1,07,80,300	99.89

b. Ten days prior to the date of the Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1.	Hiralal Rai	58,76,250	54.45
2.	Kamla Rai	25,85,850	23.96
3.	Alok Rai	16,15,890	14.97
4.	Shalini Rai	3,42,040	3.17
5.	Arpana Rai	1,80,000	1.67
6.	Archana Rai	1,80,000	1.67
	Total	1,07,80,300	99.89

c. One year prior to the date of the Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
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1.	Hiralal Rai	5,18,650	45.82
2.	Kamla Rai	4,14,850	36.65
3.	Alok Rai	90,500	7.99
4.	Shalini Rai	48,000	4.24
5.	Arpana Rai	30,000	2.65
6.	Archana Rai	30,000	2.65
	Total	11,32,000	100.00

d. Two years prior to the date of the Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
1.	Hiralal Rai	5,18,650	45.82
2.	Kamla Rai	4,14,850	36.65
3.	Alok Rai	90,500	7.99
4.	Shalini Rai	48,000	4.24
5.	Arpana Rai	30,000	2.65
6.	Archana Rai	30,000	2.65
	Total	11,32,000	100.00

13. As on the date of this Draft Prospectus, our Company does not have any preference Share Capital
14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
15. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Prospectus.
16. Neither the Lead Manager nor their associates hold any equity shares of our company as on the date of this Draft Prospectus. However, the associates and affiliates of the LM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
17. There are no Equity Shares against which depository receipts have been issued.
18. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
19. None of the persons/entities comprising our Promoter Group, the directors of company which is our promoter or our Directors or their relatives or our Company have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Prospectus.

20. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.
21. Our Company, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the issue from any person.
22. An over-subscription to the extent of 10% of the issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the issue, as a result of which, the post-issue paid up capital after the issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post issue paid-up capital is locked in.
23. As on date of this Draft Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
24. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
25. As per RBI regulations, OCBs are not allowed to participate in this Issue.
26. Our Company has not raised any bridge loans against the proceeds of the Issue.
27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
28. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
29. An applicant cannot make an application for more than the number of Equity Shares being issued through this issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
30. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this issue.
31. Our Company has 8 shareholders as on the date of filing of this Draft Prospectus.
32. Our Promoters and the members of our Promoter Group will not participate in this Issue.
33. Our Company has not made any public issue since its incorporation.
34. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2019, 2018 and 2017, please refer to paragraph titled *Details of Related Parties Transactions* as restated in the chapter titled "*Restated Financial Information*" on page 173 of this Draft Prospectus.
35. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management*" beginning on page 155 of this Draft Prospectus.

OBJECTS OF THE ISSUE

Requirement of Funds

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ [●] lakhs (the “**Net Proceeds**”).

We intend to utilize the Net Proceeds from Issue towards the following objects:

1. Funding the working capital requirements of our Company; and
2. General corporate purposes.

(Collectively, herein referred to as the “**Objects**”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Also, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

ISSUE PROCEEDS

The details of the Issue Proceeds are set out in the following table:

(₹ in lakhs)

Particulars	Estimated Amount*
Gross Proceeds of the Issue	[●]
Less- Issue related expenses	[●]
Net Proceeds	[●]

**To be finalised on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.*

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be utilised in the manner set out in in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Funding the working capital requirements of our Company	850.00	[●]	[●]
2.	General Corporate Purposes*	[●]	[●]	[●]

**To be finalized on determination of Issue Price and updated in the Prospectus prior to filing with the ROC.*

SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Draft Prospectus, our Company had not deployed any funds towards the objects of the Issue.

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2019-2020)
1.	Funding the working capital requirements of our Company	850.00	850.00
2.	General Corporate Purposes*	[●]	[●]

**To be finalized on determination of Issue Price and updated in the Prospectus prior to filing with the ROC*

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

MEANS OF FINANCE

The fund requirement set out for the aforesaid objects will be met through the Net Proceeds to the extent of ₹ 850.00 lakhs and balance through internal accruals/ net worth/secured loans and short term bank finance. Further details of funding of objects is given below:

(₹ in lakhs)

Objects of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Net worth/ Secured Loans/ Unsecured Loans	Short Term Cash Credit Facility
Funding the working capital requirements of our Company	2808.42	850.00	958.42	1,000.00
General Corporate Purposes*	[●]	[●]	-	-

**To be finalized on determination of Issue Price and updated in the Prospectus prior to filing with the ROC*

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230 (1) (e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activity proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Details of the Objects

The details of the objects of the Fresh Issue are set out below.

1. Funding the working capital requirements of our Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks and financial institutions. Our Company's existing working capital requirement and funding on the basis of Restated Financial Statements for Fiscal 2018 and for Fiscal 2019 are as stated below:

(₹ in lakhs)

Particulars	Fiscal 2018 (Restated)	Fiscal 2019 (Restated)
Current Assets		
Inventories		
- Raw Materials	573.48	831.77
- Work In Progress	299.34	312.67

- Finished Goods	373.84	421.52
- Stores, Packing materials & Fuel	81.83	135.67
Trade Receivables	726.16	968.67
Cash and Bank Balance	50.50	557.64
Short term loans & advances	248.40	228.91
Total (A)	2,353.55	3,456.85
Current Liabilities.		
Trade Payables	754.71	748.15
Other Current Liabilities & Short Term Provision	525.78	631.56
Total (B)	1,280.49	1,379.71
Total Working Capital (A)-(B)	1,073.06	2077.14
Existing Funding Pattern		
Short-term borrowings from banks	642.14	1,003.82
Internal Accrual/Networth	430.92	1073.32

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated September 25, 2019 has approved the business plan for the Fiscal 2020. The projected working capital requirements for Fiscal 2020 is stated below:

		<i>(₹ in lakhs)</i>
Particulars		Fiscal 2020 (Estimated)
Current Assets		
Inventories		
- Raw Materials		1,023.63
- Work In Progress		112.82
- Finished Goods		512.22
- Stores, Packing materials & Fuel		61.48
Trade Receivables		1,410.74
Cash and Bank Balance		557.92
Short term loans & advances		45.82
Total (A)		3724.63
Current Liabilities		
Trade Payables		575.80
Other Current Liabilities & Short Term Provision		340.41
Total (B)		916.21
Total Working Capital (A)-(B)		2808.42
Existing Funding Pattern		

Particulars	Fiscal 2020 (Estimated)
Internal Accrual/Networth	958.42
Short-term borrowings from banks	1,000.00
IPO Proceeds	850.00

Assumption for working capital requirements:

(In months)

Particulars	Holding Level for Fiscal 2018 (Restated)	Holding Level for Fiscal 2019 (Restated)	Holding Level for Fiscal 2020 (Estimated)
Current Assets			
Inventories			
- Raw Materials	2.92	3.24	2.92
- Work in Progress	0.92	0.78	0.21
- Finished Goods	1.00	0.88	0.76
Trade Receivables	1.93	2.01	2.09
Current Liabilities			
Trade Payables	3.84	2.91	1.64

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Current Assets	
Inventories	<p>Raw Material- We have assumed almost same level raw material Inventory of 2.92 months for the Fiscal 2020 as compared with Fiscal 2019 as we expect to increase our production which requires same level of raw material in coming year.</p> <p>Work in Progress- We have assumed Work in Progress Inventory period of 0.21 months for the Fiscal 2020 against 0.78 months for Fiscal 2019 as we are diversifying into CCR products which are ready to make hence there will be very low requirement of WIP inventory.</p> <p>Finished Goods- We have assumed finished goods inventory of 0.76 months for Fiscal 2020 as compared to 0.88 months for Fiscal 2019 to keep in line with our expected increase in finished goods turnover in coming year.</p>
Trade receivables	Our Company shall give credit facility of around 2.09 months to our debtors for Fiscal 2020 as compared to 2.01 months for Fiscal 2019. Going forward our Company intends to provide liberal credit facility to our debtors to increase our business operation.
Current Liabilities	
Trade Payables	We have assumed trade payables period of 1.64 month for the Fiscal 2020 as against credit period of 2.91 month for Fiscal 2019 as we intend to decrease the credit period expected from our creditors due to fulfilment of our working capital requirements through our proposed initial public Issue. This would help us in maintaining good relations with our creditors.

Our Company proposes to utilize ₹ 850.00 lakhs of the Net Proceeds in Fiscal 2020 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2020 will be arranged from existing bank borrowings and internal accruals/ net worth.

2. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed ₹ [●] Lakhs.

Expenses	Expenses (Rs in lakhs) ^{1*}	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to the Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Legal Advisors	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Intermediaries ²	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers ³	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Registered Brokers and submitted with the SCSBs ⁴	[●]	[●]	[●]
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them ⁵	[●]	[●]	[●]

Expenses	Expenses (Rs in lakhs) ^{1*}	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Others (bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

¹Will be incorporated at the time of filing of the Prospectus.

*As on the date of the Prospectus, Our Company has incurred [●] towards Issue Expenses out of internal accruals.

²Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs [●]% ^ (exclusive of GST)

Portion for NIIs [●]% ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).

Further, the Members of RTAs and CDPs will be entitled to application charges of ₹ [●] (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.

³Registered Brokers, will be entitled to a commission of ₹ [●] (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

⁴SCSBs would be entitled to a processing fee of ₹ [●] (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

⁵Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ [●] (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed ₹ 10,000 lakhs in terms of Regulation 262 of the SEBI (ICDR Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such

amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the Net Proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the Net Proceeds of the Issue from the objects of the Issue as states above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel or Group Companies, except in the normal course of business and in compliance with applicable law.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Lead Manager on the basis of an assessment of qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10 each and the Issue Price is [●] times of the face value.

Investors should also refer “*Our Business*”, “*Risk Factors*” and “*Financial Statements as Restated*” beginning on pages 111, 25 and 173 respectively, of this Draft Prospectus, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price are:

- Experienced Management;
- Quality Assurance;
- Client Retention;
- Diversified Range of Products; and
- Widespread sales and distribution network.

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 111 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for the financial years ended March 31, 2019, 2018 and 2017 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI ICDR Regulations. For details, refer chapter titled “*Financial Statements as Restated*” and “other financial information” beginning on page 173 and 174 of this Draft Prospectus. Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

1. Basic and Diluted Earnings per Share (EPS):

Year Ended	Basic & Diluted EPS (₹)	Weight
March 31, 2019	3.34	3
March 31, 2018	4.00	2
March 31, 2017	2.72	1
Weighted Average		3.46

Notes:

1. *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Shares issued during the year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year. The figures disclosed above are based on the Restated Summary Financial Information of our Company.*
2. *The face value of each Equity Share is ₹ 10.*
3. *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.*
4. *Basic Earnings per share = Net profit/(loss) after tax, as restated attributable to Equity shareholders /Weighted average number of Equity shares outstanding during the year.*
5. *Diluted Earnings per share = Net profit/(loss) after tax, as restated attributable to Equity shareholders / Weighted average number of diluted Equity shares outstanding during the year.*

6. *Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].*
7. *On December 27, 2018, our Company allotted 56,60,000 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the Weighted Average Number of Equity Shares for EPS above, these bonus shares have been considered in all the years reported.*

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●] per Equity Share of face value ₹ 10 each fully paid up

Particulars	P/E ratio
P/E ratio based on Basic & Diluted EPS for FY 2018-19	[●]
P/E ratio based on Weighted Average Basic & Diluted EPS	[●]
Industry P/E Ratio*	
Highest	29.52
Lowest	24.51
Average	27.32

**Industry composite comprises of Morganite Crucible (India) Limited, Orient Refractories Limited and IFGL Refractories Limited.*

3. Return on Net worth (RoNW):

As per restated financial statements:

Year Ended	RoNW (%)	Weight
March 31, 2019	8.66	3
March 31, 2018	16.56	2
March 31, 2017	13.52	1
Weighted Average		12.10

Notes:

1. *The RONW has been computed by dividing net profit after tax (excluding exceptional income, if any) attributable to equity shareholders, as restated /Net worth (excluding revaluation reserve, if any) as restated as at year end.*
2. *Weighted average RoNW= Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. [(RoNW x Weight) for each fiscal] / [Total of weights].*
3. *Net worth is aggregate value of the paid-up share capital of the Company and Reserve and Surplus, excluding revaluation reserves if any, as per Restated Financial Information.*

4. Net Asset Value (NAV) per equity share:

As per Restated Financial Statement

Particulars	Amount Per Share
Net Asset Value per Equity Share as of March 31, 2019	27.86
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per equity share	[●]

Notes:

1. *Net Asset Value per Equity Share has been computed as Net Worth divided by closing number of equity shares.*
2. *Issue Price per equity share will be determined in consultation with lead managers and will be updated in the prospectus to be filed with the Registrar of Companies (ROC).*

5. Comparison with listed industry peers:

Companies	CMP*	Basic EPS	Diluted EPS	PE Ratio	RONW (%)	NAV (per share)	Face Value (per share)	Total Income (₹ in Lakhs)
Zircar Refractories Limited	[●]	3.34	3.34	[●]	8.66%	27.86	10.00	5883.75
Peer Group**								
Morganite Crucible (India) Ltd	1620.15	54.88	54.88	29.52	15.49%	354.29	10.00	12,608.78
Orient Refractories Ltd	208.80	7.48	7.48	27.91	23.88%	31.32	1.00	76,611.99
IFGL Refractories Ltd	176.50	7.20	7.20	24.51	5.13%	140.41	10.00	48,289.05

* CMP for our Company is considered as Issue Price

**Source: www.bseindia.com

Notes:

1. Considering the nature and size of business of the Company, the peers are not strictly comparable. However the same has been included for broad comparison.
2. The figures for Zircar Refractories Limited is based on the restated financial statements for the year ended March 31, 2019.
3. The figures for the peers are based on the standalone audited results for the year ended March 31, 2019, filled with BSE.
4. Current Market Price (CMP) is the closing price of peer's script as on September 24, 2019 on BSE. However, CMP for our Company is the Final Price that will be determined by the company in consultation with the LM.
5. NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off if any).
6. P/E Ratio has been computed based on the closing market price of peers group's equity shares on September 24, 2019 on BSE, as divided by the Basic EPS provided.
7. RoNW has been computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off if any).
8. The Issue Price of Zircar Refractories Limited is ₹ [●]/- per Equity Share.

Investors should read the above mentioned information along with "Our Business" "Risk Factors" and "Financial Statements as Restated" beginning on pages 111, 25 and 173 of this Draft Prospectus, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors of
ZIRCAR REFRACTORIES LTD
402, 4th Floor, Campus Corner,
Near St. Xavier's College Cross Road,
Navrangpura,
Ahmedabad- 380009

Dear Sir/Ma'am,

Sub: Proposed Initial Public Offering (IPO) of the Equity Shares of the Zircar Refractories Limited, (the "Company"), pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the "Act").

1. This report is issued in accordance with the terms of our engagement letter dated January 5, 2019.
2. The accompanying Statement of Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as "the Statement") under the Income Tax Act, 1961 (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2018 (hereinafter referred to as the "Income Tax Regulations") and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) has been prepared by the management of the Company in connection with the proposed Offer, which we have initialled for identification purposes.

Management's responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the Draft Prospectus/Prospectus (the "Offer Document") is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on September 25, 2019 for the purpose set out in paragraph 12 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's responsibility

4. Our work has been carried out in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as of March 31, 2019 to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Offering.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,' issued by the ICAI.

Inherent Limitations

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence

the reliability of the information.

9. Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive.
10. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

11. In our opinion, the Statement prepared by the Company presents, in all material respects, the special tax benefits available as of March 31, 2019, to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations & other Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits as per the Statement in future;
or
- (ii) The conditions prescribed for availing the benefits as per the Statement have been/ would be met with.

Restriction on Use

12. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Document, prepared in connection with the Offer to be filed by the Company with the NSE.

For, Patel & Jesalpura
Chartered Accountants,
Firm Reg. No. 120802W

Sd/-

CA Ashok P Patel
Partner
Membership Number: 040482

Place: Ahmedabad

Date: September 25, 2019

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

A) Direct Taxation:

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

a. Special tax benefits to the company

There are no special tax benefits to the company.

b. Special tax benefit to the shareholder

There are no special tax benefits to the shareholders of the company.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

B) Indirect Taxation:

1) **Benefits available under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) (together referred to as “GST Regime “or “GST Law”)**

1.1. Special tax benefits to the company

There are no special tax benefits to the company.

1.2. Special tax benefit to the shareholder

There are no special tax benefits to the shareholders of the company.

SECTION V – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section is derived from report titled —Research Report on Refractory Industry (“CARE Report”) and also includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the LM, or any of our or their respective affiliates or advisors. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Statements*” and related notes beginning on page 25 and 173 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.

The CARE Report was commissioned by our Company and has been prepared by CARE Advisory – a division of CARE Advisory Research and Training Limited, for which, our Company had made a payment to CARE Advisory. CARE Advisory has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. CARE Advisory, a division of CARE Advisory Research and Training Limited has taken due care and caution in preparing the CARE Report based on the information obtained by CARE from sources which it considers reliable (“the Data”). However, CARE does not guarantee the accuracy, adequacy or completeness of the Data/ CARE Report and is not responsible for any errors or omissions or for the results obtained from the use of Data/Report.

The CARE Report is not a recommendation to buy, sell or hold an instrument in any company covered in the CARE Report. CARE Advisory is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in this report and especially states that CARE (including all divisions) has no financial liability whatsoever to the user of this product. This report is for the information of the intended recipients only and no part of this report may be published or reproduced in any form or manner without prior written permission of CARE Advisory. CARE Advisory operates independently of, and does not have access to information obtained by CARE’s Ratings Division, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CARE Report are that of CARE Advisory and not of CARE’s Ratings Division/CARE Ratings and cannot be compared to the rating assigned to the company within this industry by the ratings division.

WHAT ARE REFRACTORIES?

"Refractory" materials are hard to work with, and are especially resistant to heat and pressure. In practical terms, refractories are products used for high temperature insulation and erosion/corrosion and are made mainly from non-metallic minerals. They are so processed that they become resistant to the corrosive and erosive action of hot gases, liquids and solids at high temperatures, in various types of kilns and furnaces. Crucibles are high temperature refractories having very high thermal conductivity for non-ferrous metal like Copper, Brass, Aluminium, Gun Metal, Zinc, Gold, Silver, etc. Because refractory products are highly resistant to heat, erosion and corrosion, they are typically used in any process involving heat and corrosion such as in kilns and furnaces. According to the main chemical component, i.e. fire clay, or magnesia, or zirconia, etc. they are commonly known as alumina-silicate or acid refractories, basic refractories, and neutral refractory products.

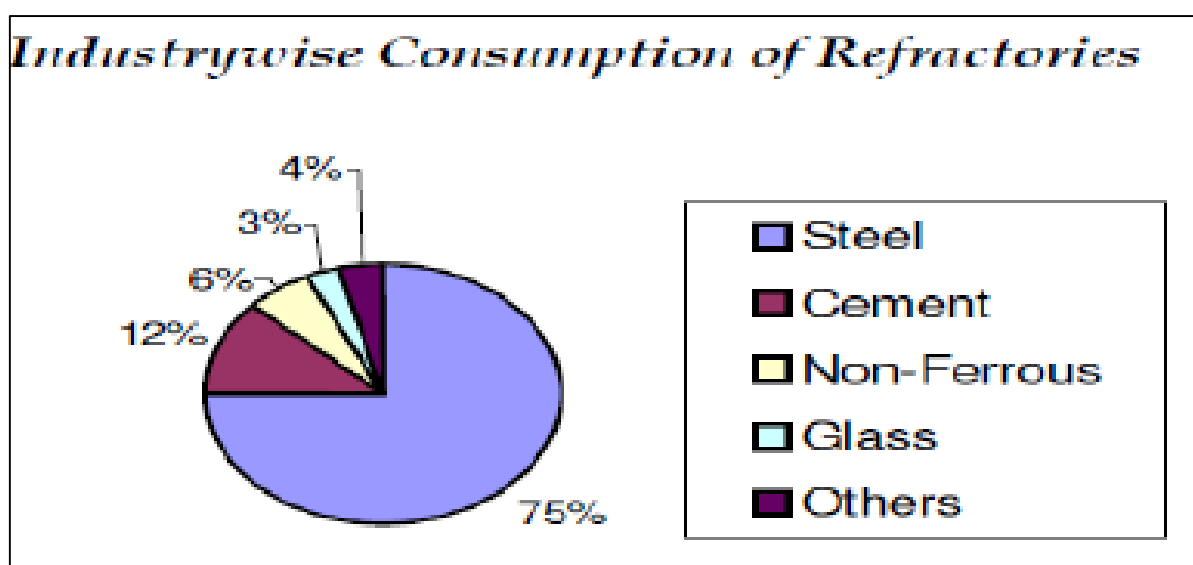
In physical characteristics, refractories typically have relatively high bulk density, high softening point (or Pyrometric Cone Equivalent), high crushing strength. They are produced as standard bricks, or as shapes (including hollow-ware) or as granular or unshaped or monolithic products. The principal applications of refractories are in iron and steel industries, cement, glass, non-ferrous metals, petro-chemicals and fertiliser industry, chemicals, ceramics and even thermal power stations and incinerators.

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

INTRODUCTION TO INDIAN REFRACTORIES INDUSTRY:

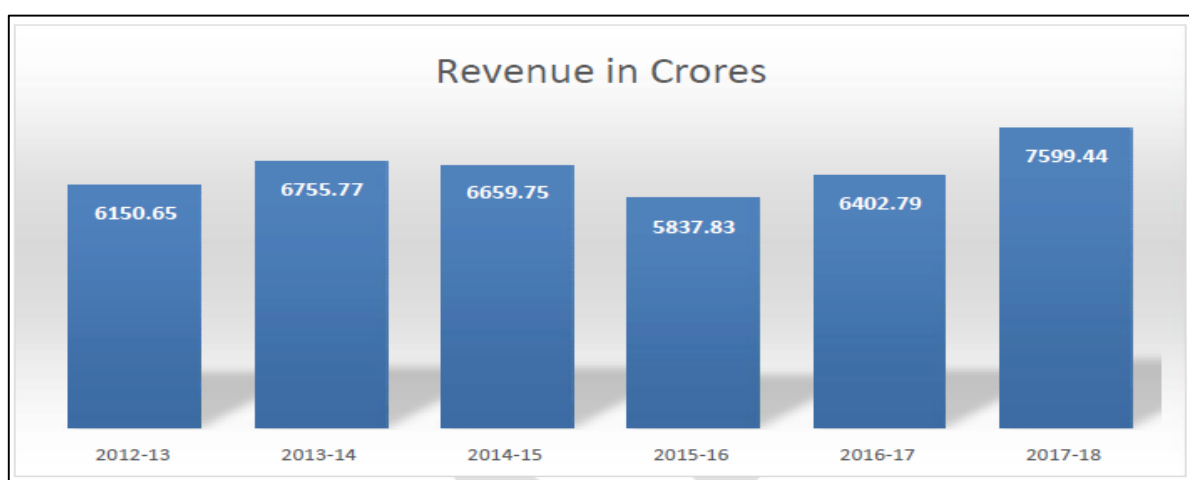
The Indian refractory industry started its journey with first line of production in Kolkata in 1874. Today, the industry comprises over 100 established units, with 11 large plants, 24 medium-scale units and the rest in the small-scale sector. However, while the refractory industry in India took off in the late 19th century, the real growth came in the late 1950s when the public sector steel plants were set up and Tata Steel embarked upon its expansion plans. Currently, the Indian refractory industry has an aggregate production capacity of 20 lakh tonnes per annum. The capacity utilization, however, currently stands at around 60 percent or 11.5-12 lakh tonnes per annum.

About 75 per cent of the refractories that are manufactured find application in the steel industry, 12 percent in the cement industry, 5-6 per cent in non-ferrous industries, three per cent in the glass industry and the balance in other industries.



(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

STATISTICS OVERVIEW OF INDIAN REFRACTORIES MARKET:



The total size of the refractory industry is Rs 6,500 crore in India contributes 10 per cent to the total refractory production in the world and hoping for a 7-8 per cent pick-up in demand “in the coming years”. Indian

Refractories industry has generated highest revenue of ₹ 7599.44 Crore in FY18, the industry was in upward trend from 2012-13 & 2013-14.

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

GLOBAL ECONOMIC OVERVIEW:

India continues to remain the fastest growing major economy in the world in 2018-19, despite a slight moderation in its GDP growth from 7.2 per cent in 2017-18 to 6.8 per cent in 2018-19. On the other hand, the world output growth declined from 3.8 per cent in 2017 to 3.6 per cent in 2018. The slowdown in the world economy and Emerging Market and Developing Economies (EMDEs) in 2018 followed the escalation of US China trade tensions, tighter credit policies in China, and financial tightening alongside the normalization of monetary policy in the larger advanced economies. In 2019, when the world economy and EMDEs are projected to slow down by 0.3 and 0.1 percentage points respectively, growth of Indian economy is forecast to increase (Figure 1). Crucially, India forms part of 30 per cent of the global economy, whose growth is not projected to decline in 2019 (World Economic Outlook (WEO), April 2019 of IMF).

Table 0.1 : Key Indicators

Data categories	Unit	2015-16	2016-17	2017-18	2018-19
GDP and Related Indicators					
GDP at current market prices	₹ Crore	13771874	15362386	17095005	19010164 ^a
GDP at constant market prices	₹ Crore	11369493	12298327	13179857	14077586 ^a
Growth Rate	(per cent)	8.0	8.2	7.2	6.8 ^a
GVA at constant basic prices	₹ Crore	10491870	11318972	12104165	12906936 ^a
Growth Rate	(per cent)	8.0	7.9	6.9	6.6 ^a
Gross Savings	% of GDP	31.1	30.3	30.5	NA
Gross Capital Formation	% of GDP	32.1	30.9	32.3	NA
Per Capita Net National Income (at current prices)	₹	94797	104659	114958	126406 ^a
Production					
Food grains	Million tonnes	251.5	275.1	285.0	283.4 ^b
Index of Industrial Production (growth)	(per cent)	3.3	4.6	4.4	3.6
Electricity Generation (growth)	(per cent)	5.6	4.7	4.0	3.5
Prices					
WPI inflation (average)	(per cent)	-3.7	1.7	3.0	4.3
CPI (Combined) inflation (average)	(per cent)	4.9	4.5	3.6	3.4
External Sector					
Merchandise export growth (in US\$ term)	(per cent)	-15.5	5.2	10.0	8.8
Merchandise import growth (in US\$ term)	(per cent)	-15.0	0.9	21.1	10.4
Current Account Balance	% of GDP	-1.1	-0.6	-1.9	-2.6 ^c
Foreign Exchange Reserves (end of year)	US\$ billion	360.2	370.0	424.5	412.9
Average Exchange Rate	₹ /US\$	65.5	67.1	64.5	69.9
Money and Credit					
Broad Money (M3) growth	(per cent)	10.1	10.1	9.2	10.5
Scheduled Commercial Bank Credit (Growth Rate)	(per cent)	10.9	8.2	10.0	13.3
Fiscal Indicators (Centre)					
Gross Fiscal Deficit	% of GDP	3.9	3.5	3.5	3.4 ^d
Revenue Deficit	% of GDP	2.5	2.1	2.6	2.3 ^d
Primary Deficit	% of GDP	0.7	0.4	0.4	0.3 ^d

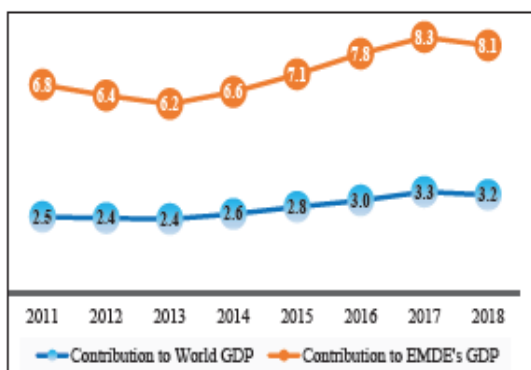
Notes:

NA: Not Available,

a: Provisional estimates, c: (April-December) 2018,

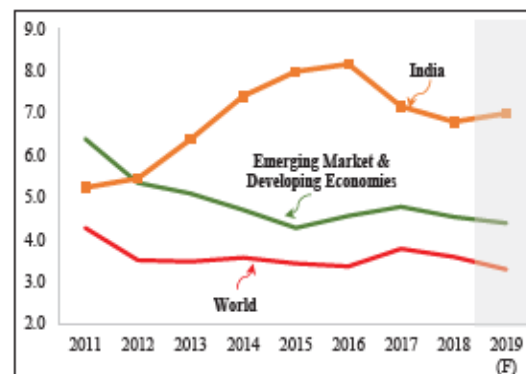
b: Third advance estimate, d: Provisional Actual

Figure 3: India's share in GDP of EMDEs and World (per cent)



Data source: WEO, April 2019 database

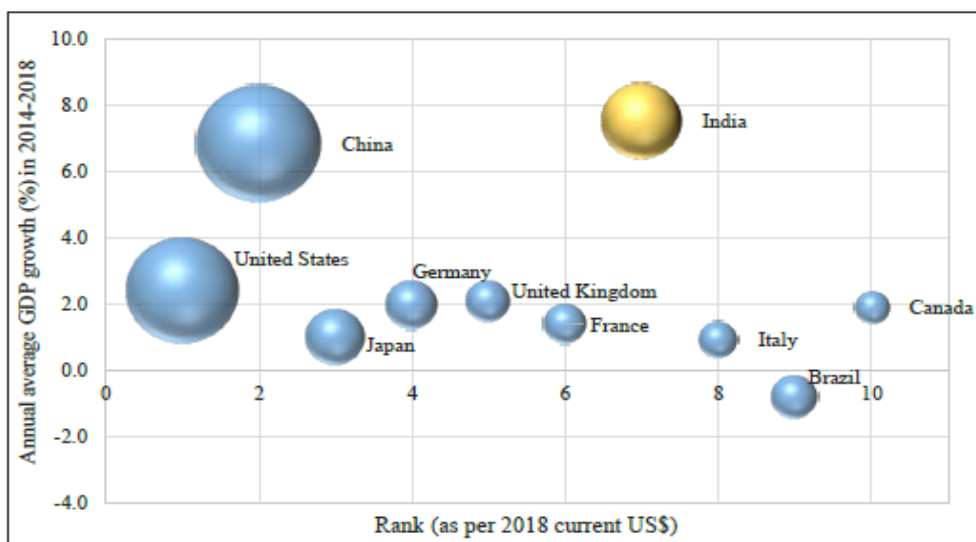
Figure 1: Growth rate of real GDP (per cent)



Data source: WEO, April 2019 database, CSO for India, 2019 projection for India is survey's projection.

India is the seventh largest economy in terms of Gross Domestic Product (GDP) in current US\$ and has emerged as the fastest growing major economy (Figure 2). The average growth rate of India was not only higher than China's during 2014-15 to 2017-18 but much higher than that of other top major economies (measured in terms of GDP at current US\$ terms) as well. With Purchasing Power Parity (PPP) adjustments, India's GDP at current international dollar, ranks third in the world (as shown by the size of circles in Figure 2).

Figure 2: Global comparison among top ten economies



Data source: WEO, April 2019 database

Note: For France and Italy GDP of the year 2018 is the estimated figure of International Monetary Fund. Size of circle represents GDP (PPP) at current international dollar terms.

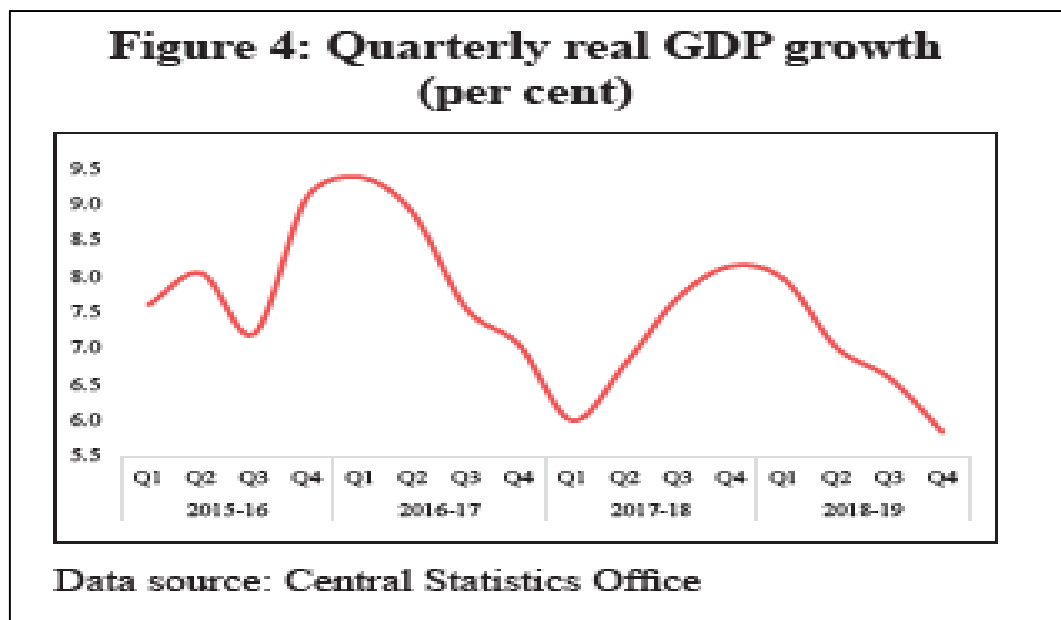
The contribution of the Indian economy to the GDP of EMDEs and world economy has increased consistently over the years (Figure 3). In a span of less than a decade, India's contribution to EMDEs GDP has increased by around 1.3 percentage points and to the world economy by around 0.7 percentage points. India's share in GDP of EMDEs stood at 8 per cent in 2018. As per the WEO, April 2019 of IMF, going forward, the growth of world economy will be bolstered mainly by growth in China and India and their increasing weights in world income. In EMDEs group, India and China are the major drivers of growth. The global economy in particular the global growth powerhouse, China is rebalancing, leading to an increasing role for India. Hence, India's contribution has become much more valuable to the global economy.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

INDIAN ECONOMIC OVERVIEW:

India's growth of real GDP has been high with average growth of 7.5 per cent in the last 5 years (2014-15 onwards). The Indian economy grew at 6.8 per cent in 2018-19, thereby experiencing some moderation in growth when compared to the previous year. This moderation in growth momentum is mainly on account of lower growth in 'Agriculture & allied', 'Trade, hotel, transport, storage, communication and services related to broadcasting' and 'Public administration & defence' sectors. Acreage in 2018-19 for the rabi crop was marginally lower than last year, which affected agricultural performance. The contraction in food prices may have contributed to inducing farmers to produce less. On the demand side, lower growth of GDP in 2018-19 was accounted for, by a decline in growth of government final consumption, change in stocks and contraction in valuables.

When we examine the growth pattern within the various quarters of 2018-19, we note that the moderation in real GDP growth has been experienced in all quarters of 2018-19 (Figure 4) with the fourth quarter (Q4) registering a growth of 5.8 per cent. The base effect arising from a high growth of 8.1 per cent in the Q4 of 2017-18 also led to this lower growth in Q4 of 2018-19. In this quarter, election related uncertainty may have also contributed to growth moderation.



There was contraction in 'Agriculture & allied' sector in the last quarter of 2018-19, though growth was reasonable in the previous three quarters. Growth of industry sector also experienced tempering in successive quarters of 2018-19 mostly on account of growth deceleration in the manufacturing sector (Table 1). This is also seen in Index of Industrial Production (IIP) of manufacturing sector, which grew at 0.3 per cent in Q4 of 2018-19, as compared to 7.5 per cent in the same quarter of previous year. Manufacturing sector was affected by the slowdown in the auto sector as well, where the production growth for all categories, apart from commercial vehicles declined in 2018-19, as compared to 2017-18. Sales growth decelerated in many segments of the automobile sector, including passenger vehicles, tractor sales, three and two wheeler sales (Figure 5). Stress in Non-Banking Financial Companies (NBFC) sector also contributed to the slow down by adversely impacting consumption finance (Figure 6). Despite the moderation of manufacturing growth within 2018-19, overall growth in the year was higher than in 2017-18, due to a high growth of 12.1 per cent in first quarter of 2018-19.

Table 1: Quarter-wise growth in Gross Value Added (per cent)

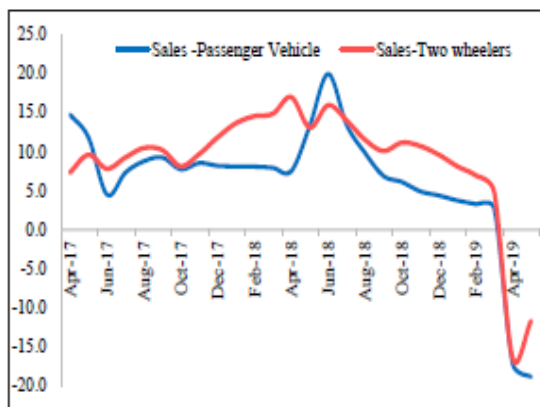
	2017-18				2018-19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agriculture and allied	4.2	4.5	4.6	6.5	5.1	4.9	2.8	-0.1
Industry	0.8	6.9	8.0	8.1	9.8	6.7	7.0	4.2
(of which) Manufacturing	-1.7	7.1	8.6	9.5	12.1	6.9	6.4	3.1
Services	9.4	6.8	8.0	8.2	7.1	7.3	7.2	8.4
GVA at basic prices	5.9	6.6	7.3	7.9	7.7	6.9	6.3	5.7
GDP at market prices	6.0	6.8	7.7	8.1	8.0	7.0	6.6	5.8

Source: Central Statistics Office

From the demand side, the decline in GDP growth during 2018-19 arose primarily from deceleration in private final consumption in the final two quarters. This could have been due to low farm incomes in rural areas arising from low food prices and also due to the stress in NBFCs, which affected its lending. The Q4 of 2018-19 also saw growth of exports declining.

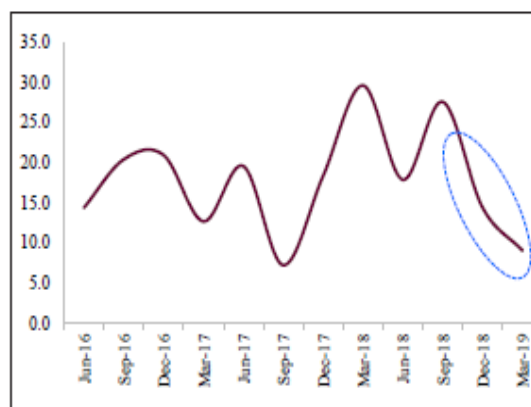
Although growth rate of real GDP was high during the last few years, the coterminous decline in the nominal GDP growth from 2010-11 onwards, points towards a secular decline in inflation. As seen in Figure 7, the gap between nominal and real growth rate has reduced significantly. Thus, the GDP deflator, which is a weighted average of Consumer Prices Index (CPI) and Wholesale Price Index (WPI), became smaller. This is reflected in a consistent decline in CPI inflation during the last few years (Figure 8). In 2013-14, CPI headline inflation was close to double digits, but gradually declined thereafter to be within the target of 4 (+/- 2) per cent. Headline CPI declined to 3.4 per cent in 2018-19 from 3.6 per cent in 2017-18.

Figure 5: Change in cumulative auto sales (per cent)



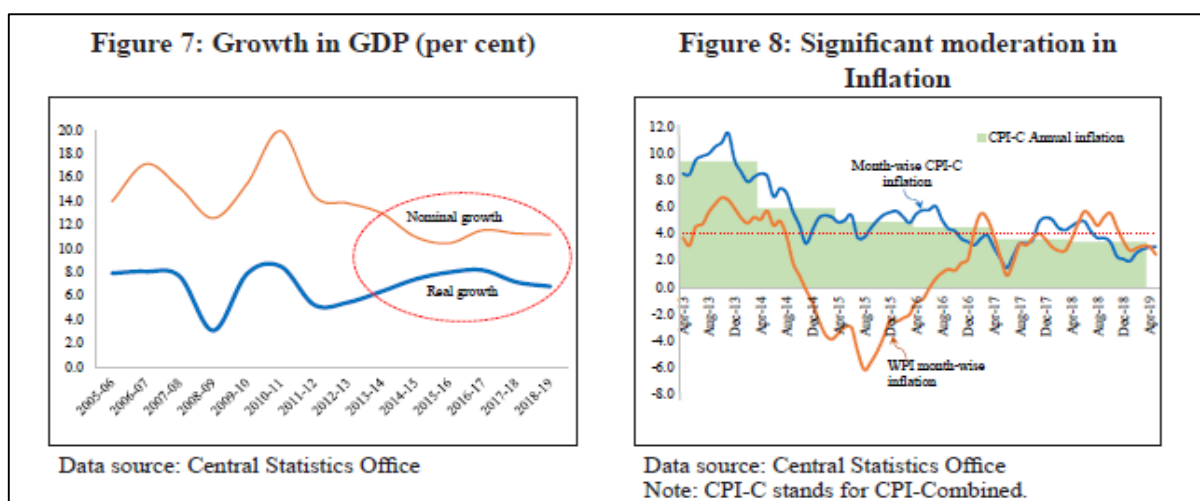
Data source: Society of Indian Automobile Manufacturers
Note: Growth rates (Year on Year) are for cumulative sales from April to respective months of the year.

Figure 6: Growth of loans and advances of NBFCs (per cent)

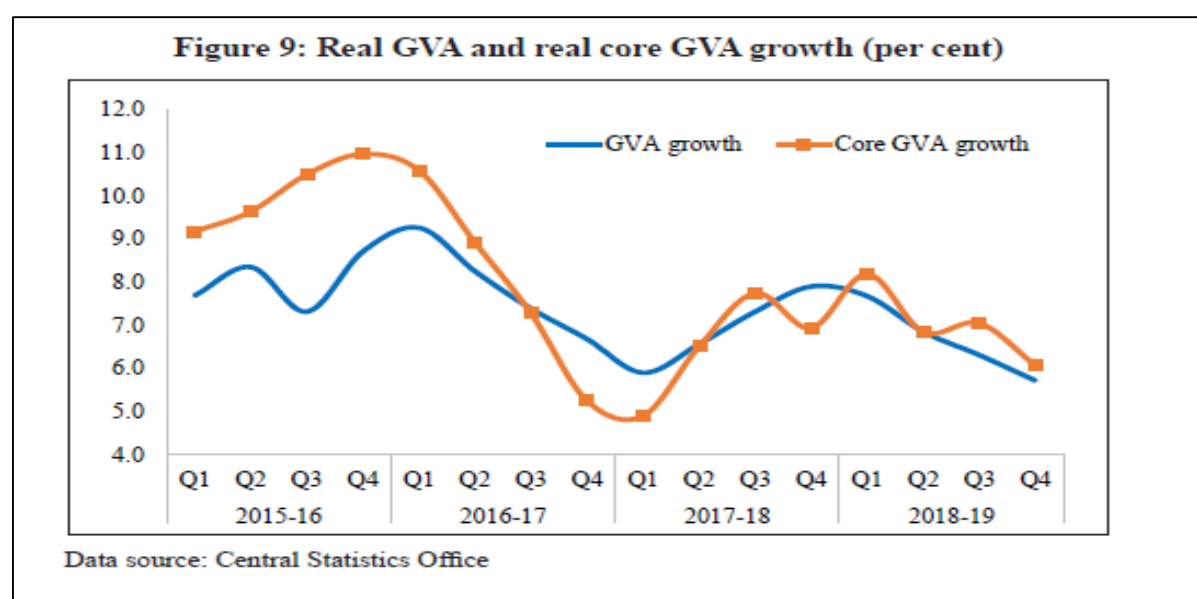


Data source: Reserve Bank of India
Note: Data on loans and advances pertains to deposit taking NBFCs and Non-Deposit taking systematic important NBFCs including Government companies; Data from March 2018 onwards are provisional.

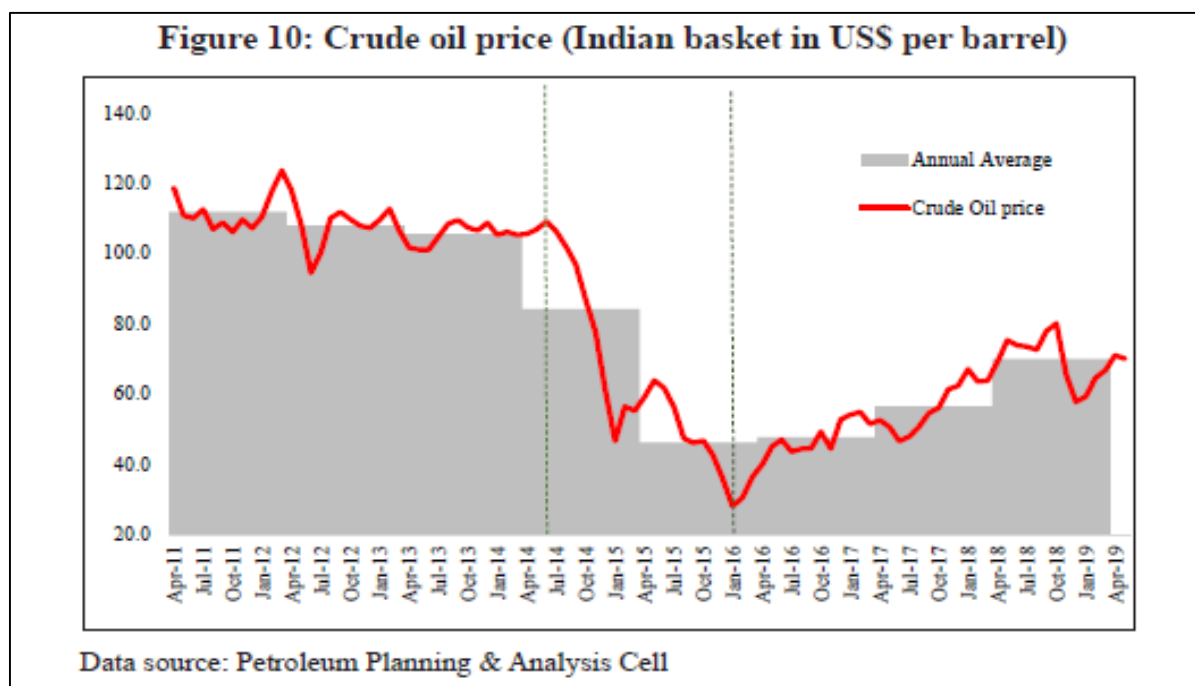
Headline WPI inflation stood at 4.3 per cent in 2018-19, higher as compared to 3.0 per cent in 2017-18. The increase in WPI inflation was broad based, which saw increase in inflation of all the groups except food in 2018-19. Increase in WPI led to marginal pick-up in GDP deflator from 3.8 per cent in 2017-18 to 4.1 per cent in 2018-19.



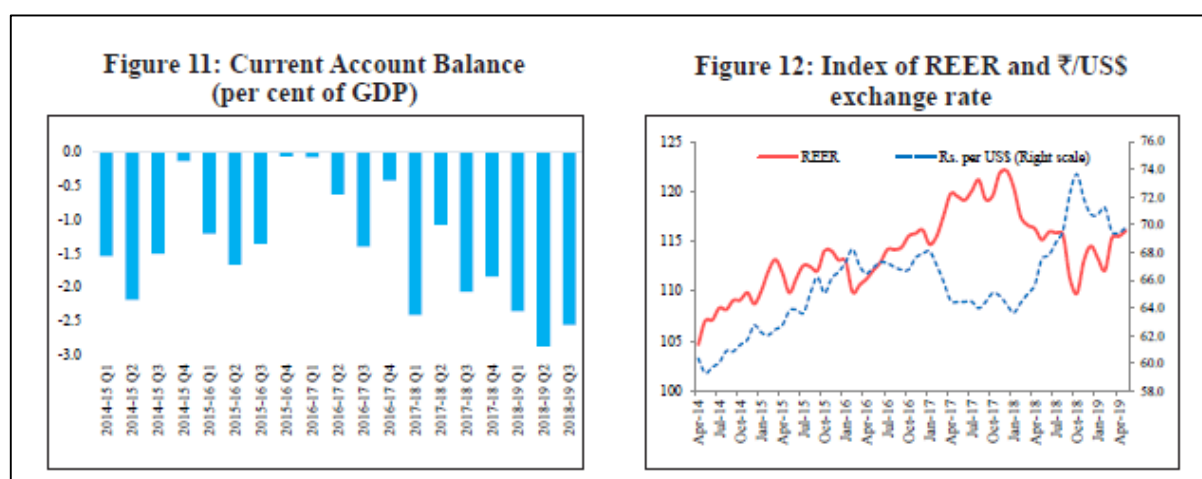
Core Gross Value Added (GVA) (measured as GVA except ‘Agriculture & allied’ activities, and ‘Public administration & defence’) shows higher growth than that of overall GVA in 2018-19. Core GVA growth picked up from 6.5 per cent in 2017- 18 to 7.0 per cent in 2018-19, whereas GVA growth slowed down marginally from 6.9 per cent in 2017-18 to 6.6 per cent in 2018-19. For all quarters of 2018-19, the core GVA growth was higher than overall GVA growth, as ‘Agriculture & allied’ and ‘Public administration & defence’ experienced the largest decline in growth rates relative to other sectors. But in Q4 of 2018-19, the growth of core GVA also decelerated by 1 percentage point over previous quarter, largely on account of lower growth in manufacturing sector (Figure 9).



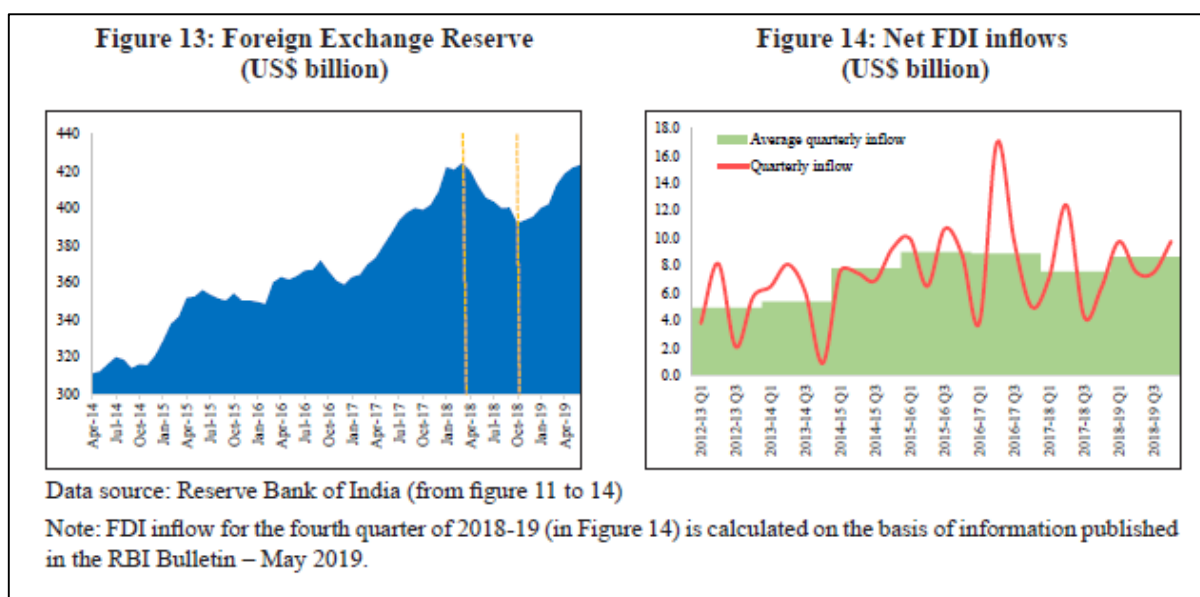
On the external front, current account deficit (CAD) increased from 1.9 per cent of GDP in 2017-18 to 2.6 per cent in April-December 2018 (refer Figure 11). The widening of the CAD was largely on account of a higher trade deficit driven by rise in international crude oil prices (Indian basket). The trade deficit increased from US\$ 162.1 billion in 2017-18 to US\$ 184 billion in 2018-19. Nominal growth of both merchandise exports and imports declined in US dollar terms in 2018-19, as compared to 2017-18. However, the decline was much sharper in merchandise imports, which reduced from 21.1 per cent to 10.4 per cent. Growth of merchandise imports declined as oil price driven increase in growth of oil imports was more than offset by contraction in value of gold imports and lower growth in the value of non-oil non-gold imports. The crude oil prices, however, showed movements in both the directions within the year. As the year commenced, crude prices increased and reached above 80 US\$/bbl. in October 2018. Thereafter, it started to decline before increasing again after December 2018 (Figure 10). Overall the oil prices were substantially higher in 2018-19, as compared to previous year.



Growth in service exports and imports in US dollar terms declined to 5.5 per cent and 6.7 per cent respectively in 2018-19, from 18.8 per cent and 22.6 per cent respectively in 2017-18. Rupee depreciated by 7.8 per cent vis-à-vis US dollar, 7.7 per cent against Yen, and 6.8 per cent against Euro and Pound Sterling in 2018-19. During 2018-19, Indian rupee traded with a depreciating trend against US dollar and touched 74.4 per US dollar in October 2018 before recovering to 69.2 per US dollar at end March 2019. Rupee depreciated in the first half of the year due to concerns related to widening of CAD owing to rising crude oil prices coupled with tighter financial conditions in US caused by increase in Federal Funds rate by the US Federal Reserve. However, rupee performed better than some of the other major emerging market currencies, such as, Argentine Peso, Turkish Lira, Brazilian Real, and Russian Ruble, which depreciated more than 10 per cent vis-à-vis US dollar. Not only in terms of bilateral exchange rate with US dollar, rupee also depreciated when measured as trade based weighted exchange rates in 2018-19. Nominal Effective Exchange Rate (NEER) (36 currency trade based bilateral weights) of rupee depreciated by 5.6 per cent in 2018-19. Correspondingly, Real Effective Exchange Rate (REER) also depreciated by 4.8 per cent in 2018-19 (Figure 12).



The foreign exchange reserves in nominal terms (including the valuation effects) decreased by US\$ 11.6 billion at end-March 2019 over end-March 2018. Within the year, foreign exchange reserves were declining until October 2018 due to RBI's intervention to modulate exchange rate volatility. India's foreign exchange reserves continue to be comfortably placed at US\$ 422.2 billion, as on 14th June 2019 (Figure 13).



Net Foreign Direct Investment (FDI) inflows grew by 14.2 per cent in 2018-19. Among the top sectors attracting FDI equity inflows, services, automobiles and chemicals were the major categories. By and large, FDI inflows have been growing at a high rate since 2015-16 (Figure 14). This pick-up indicates the improvement in confidence of the foreign investors in the Indian economy.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

OUTLOOK FOR 2019-20:

The year 2019-20 has delivered a huge political mandate for the government, which augurs well for the prospects of high economic growth. Real GDP growth for the year 2019-20 is projected at 7 per cent, reflecting a recovery in the economy after a deceleration in the growth momentum throughout 2018-19. The growth in the economy is expected to pick up in 2019-20 as macroeconomic conditions continue to be stable while structural reforms initiated in the previous few years are continuing on course. However, both downside risks and upside prospects persist in 2019-20. Investment rate, which was declining from 2011-12 seems to have bottomed out. It is expected to pick up further in the year 2019-20 on the back of higher credit growth and improved demand. The political stability in the country should push the animal spirits of the economy, while the higher capacity utilization and uptick in business expectations should increase investment activity in 2019-20. Accommodative monetary policy in the beginning of the year should help in decreasing real lending rates, more so, if the transmission mechanism improves. There are signs of continuing resolution of stressed assets in the banking sector as reflected in decline in NPA to gross advances ratio as on December 2018, which should push the capex cycle.

The performance of consumption will be crucial in deciding the growth path of economy. Rural wages growth which was declining seems to have bottomed out and has started to increase since mid-2018. Further growth in rural wages should help spur rural demand. Pick up in food prices should help in increasing rural incomes and spending capacity and hence rural consumption demand. PM-Kisan scheme was announced by the government to provide an income support of `6000/- per year to small and marginal farmer families having combined land holding/ownership of upto 2 hectares. The condition of minimum land holding has been subsequently removed to benefit all farmers. This cash transfer scheme will also increase the rural incomes.

The oil prices increased in 2018-19 by around 14 \$/bbl. However, oil prices are expected to decline in 2019-20 from the current level (based on the oil futures price for 2019-20). This should provide a positive push to consumption. However, downside risks to consumption remain. The extent of recovery in farm sector and farm prices will decide the push to rural consumption, which is also dependent on the situation of monsoon. The meteorological department has predicted that the rainfall over the country as a whole is likely to be near normal this year. This should lead to improvement in agriculture sector growth. However, according to IMD, some regions are expected to receive less than normal rains. This could prove to be detrimental for crop production

in certain affected areas. If the impact of stress in the NBFC sector spills over to this year as well, it may lead to lower credit offtake from NBFCs, which may dampen growth in consumption spending.

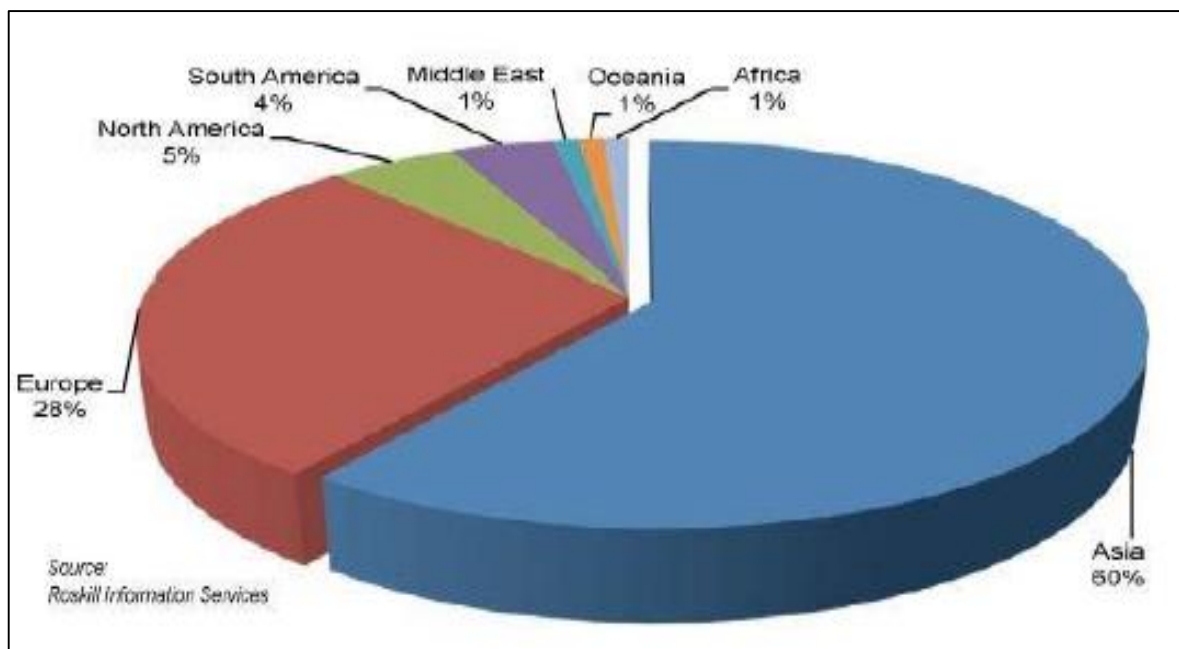
Prospects of export growth remain weak for 2019-20 if status quo is maintained. However, reorientation of export policies to target countries/markets based on our own relative comparative advantage and the importing country's exposure to Indian goods can foster export performance. Under status quo, the outlook for the global economy is bleak in 2019, with most of the countries projected to slow down. The major threat facing the world economy is the increase in trade tensions between U.S. and China, which could lead to large disruptions in global value chains, outcome of Brexit and downside risk to China's growth. The lower global growth and the increased uncertainty about trade tensions may negatively affect export demand, including that of India's, which in turn will further lower GDP growth rates of several countries. On balance, the prospects of the economy should improve with growth of the economy expected to be 7 per cent in 2019-20.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

THE GLOBAL REFRACTORIES MARKET:

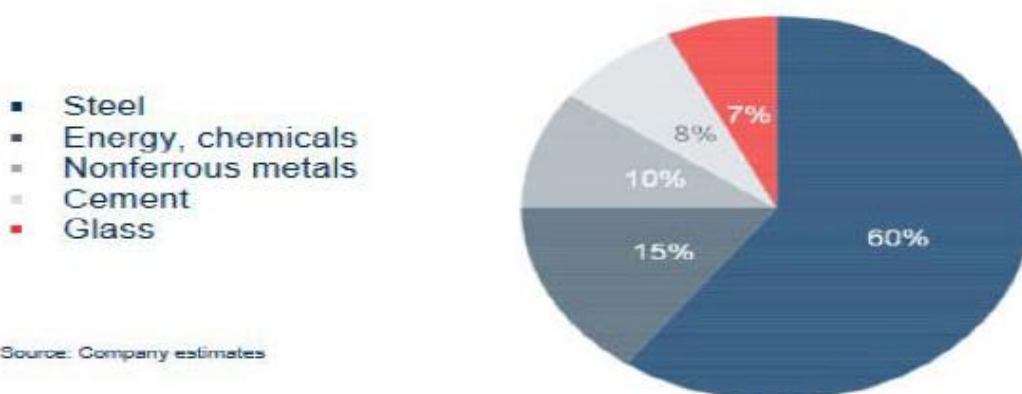
The refractories market can be categorized into by form, composition, end users, material and by geography. Based on the form of refractories available, the market can be categorized into shaped and monolithic refractories. These are further divided based on the end users in the industry which include crude iron and steel, cement & lime, glass and non-ferrous metals. Refractories are utilized in linings of furnaces, incinerators and reactors in many of the industries. Refractories find their applications in lining edifice of shapeless products, mass-produced rudiments and bricks in the industries. Iron and steel was the largest end-user industry for refractories.

The growth of end-user industries and the increasing demand for high performance furnaces has been driving the global refractories market. However, due to increasing apparatus competence, the refractory intake from the end-user companies has been seeing a plummeting trend. The expansion of iron and steel companies in terms of acquisition of new raw material sites or increasing the number of processing plants are generating new demands for the refractories market.



Asia-Pacific is the leading region in refractories market, in terms of value and volume, and the trend is expected to continue till 2020. The countries in this region such as China and India are the fastest-growing markets for refractories, due to significantly increasing usage of refractories in iron & steel, cement, glass, non-ferrous metals, and other industries. South East Asia, with countries including Indonesia, Malaysia, Thailand, and Vietnam, is also a rapidly growing market for refractories. This growth is mainly due to the increasing demand for cement, iron & steel, cement and glass mainly in construction, automotive and other manufacturing sectors in Asia-Pacific.

Revenue Break-up by Industry:-



The refractories market is projected to reach USD 26.3 billion by 2023, at a CAGR of 2.5% between 2018 and 2023. The refractories market is expected to grow from USD 23.3 billion in 2018 and is projected to reach USD 26.3 billion by 2023, at a CAGR of 2.5%. The growth of the refractories market is attributed to the growing iron & steel, glass, non-ferrous industries.

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

GLOBAL TOP 10 COUNTRIES RANKING

Market Share of Top 10 Companies in India for Refractories Products Sales:-

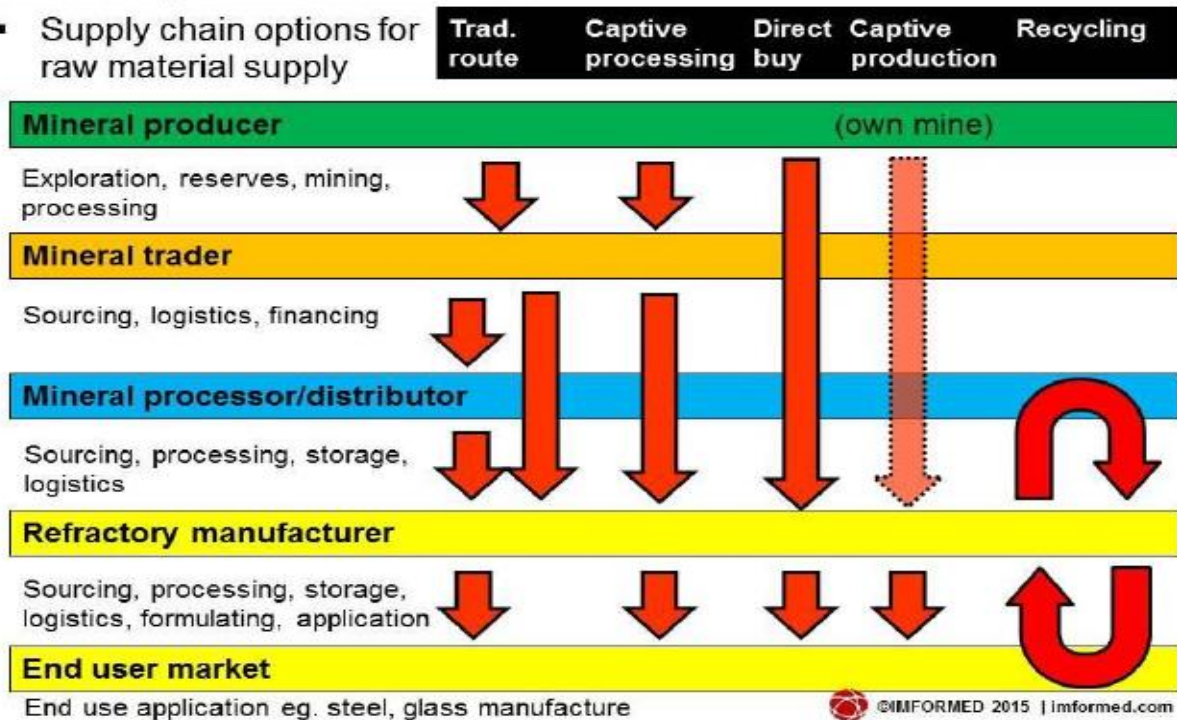
Rank	Company Name	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	T R L Krosaki Refractories Ltd.	872.92	868.12	799.27	1008.11	1038.3	1132.79
2	Vesuvius India Ltd.	585.31	631.67	681.33	516.82	613.53	628.33
3	I F G L Refractories Ltd.	9.02	40	43.82	46.05	359.14	402.1
4	Calderys India Refractories Ltd.	456.23	458.55	483.42	473.22	391.3	391.3
5	Grindwell Norton Ltd.	276.53	248.41	298.76	303.36	318.63	380.39
6	Dalmia Cement (Bharat) Ltd.	0	0	0	0	263	285
7	O C L India Ltd. [Merged]	316.87	324.61	321.82	223.87	263.36	263.36
8	Dalmia Refractories Ltd.	74.88	67.64	160.18	173.12	167.87	171.62
9	Sail Refractory Co. Ltd.	0	0	93.82	95.47	141.63	138.46
10	Qutone Granito Pvt. Ltd.	0	49.17	94.25	101.67	124.29	124.29

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

STRUCTURE OF REFRACTORIES IN INDIA

Refractory minerals overview

- Supply chain options for raw material supply



(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

SCOPE FOR REFRACTORY INDUSTRY IN INDIA:

The total size of the refractory industry is Rs 6,500 crore in India contributes 10 per cent to the total refractory production in the world and hoping for a 7-8 per cent pick-up in demand “in the coming years”.

STRENGTHS:-

- Introduction of Total Refractories Management (TRM) to ensure quality, proper service and to decrease in cost.
- India is having superior engineering skill, high quality technology and equipment from Germany and Italy. Also they have access to superior quality raw materials and all these factors is resulting in superior quality refractory output.
- Increasing credibility of Indians in the global market, where price realization is relatively better.

WEAKNESS:-

- India has to depend heavily on China for raw material imports.
- Scarcity of raw material across the globe.
- Technological changes in steel industry resulting in lowering consumption of refractories per ton of steel.
- The growth of Indian Steel industry is extremely crucial to analyze the future status of Indian Refractory Industry.

OPPORTUNITIES:-

- Refractories still have many areas in various sectors to enter in such as monolithic and special
- Growing demand from other sectors like sponge iron and cement

- Indian products are sailing all across the globe, primarily to EU, Middle East, South Asia and Far East including Malaysia and Indonesia,
- Expansion of steel industry in India

THREATS:-

- With the increasing price of crude oil and other petroleum products, the price of coal is also increasing having a direct impact on the input cost
- China dumping sub-standard quality outputs in India at very low prices
- Payment delays by the steel manufacturer
- Slowdown in the Chinese refractories market

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

DEMAND DRIVERS FOR REFRACTORY INDUSTRY:

Steel Industry Growth in India:-

- India wants to achieve its ambitious target of 300 million tonne of steel production by 2030, the only way forward to achieve the target is synergy between the Steel and refractory Industry.
- Indian refractory industry is minuscule compared to its steel counterpart, it is critical in the production of the metal, the steel sector consumes about 65 to 70 per cent of refractories.
- As per Moody's, India will be the brightest spot for the steel sector over the next 12-18 months. Currently steel consumption in India is rising at least 5.5 per cent to 6 per cent every year, tracking strong GDP growth of 7.3 per cent to 7.5 per cent.

Expansion of Refractory Industry in India:-

- The Refractory industry in India is expected to garner an investment of USD 100-150 million, mainly in the eastern part of the country in the next three to five years.
- This will improve the overall capacity for refractory products in India at certain level and this will help to achieve the steel production target.

Growth of Metal Industry:-

- According to DIPP, Indian metallurgical industries attracted FDI to the tune of US\$ 10.56 billion in the period April 2000–December 2017.
- It is expected that better growth of Metal industry in coming years which can help to grow the refractory industry further.

Investment in Refractory:-

- Total investments in India was ₹ 310 Crore in the FY17 and it is expected that further investments in this sector will improve the performance of refractory Industry in India.
- To achieve the target of 300 Million Tonnes for the Steel Production will attract more investments in refractory industry in India.

Business Concerns:-

- Industry dependent on raw material imports from China. Use of synthetic raw materials is driving prices higher
- In the event of continued high prices for crude oil and other petroleum products, hardening of the coal prices the prices of the inputs of the refractory industry are increasing
- Raw material prices have moved up 80 to 85% but prices of finished products have just appreciated 18-30% resulting in erosion of the bottom lines of the refractories companies.

- Affected by the slowdown in the economy
- In Industries like steel – trend towards lower refractories consumption per ton of steel. Usage of new technology processes leads to reduction in refractories consumption
- The industry is going through an exciting and complex phase. On one hand, refractory makers are adding capacities with the hope that demand from the steel sector will rise at a fast pace. On the other hand, none of the major announced Greenfield steel projects are yet to get off the ground.

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

KEY CHALLENGES TO REFRACTORY INDUSTRY:

“The Refractory Industry must upgrade itself to take benefit of increased business from the steel industry” stated R K Vijayvergia, Executive Director-Operations, SAIL, at a recently held conference. In his special address, Vijayvergia said, “Steel industry forms the major end use segment for refractories consuming around 70 percent of its total annual production. The Refractory Industry has to keep pace with steel industry with regard to quality and quantity demands. Meanwhile, with the changed business scenario more and more customers are looking forward to total refractory management which encompasses creation of value added service, responsive supply chain network and understanding of customers' requirement.” The major Indian refractory manufactures need to gear up to cater the need of steel industry.

World leaders in refractories like RHI from Austria, Vesuvius from Belgium, French giant Caldersys, Pohang from South Korea etc have also made their presence in India, which is a good sign for the industry. Recently SAIL has taken over Bharat Refractories Ltd which is now named as SAIL Refractory Unit (SRU). SAIL is in the process of augmenting and upgrading the facilities at SRU for higher production to meet the quality requirement of SAIL. Refractory producers in India have to rise to the occasion by providing ready, regular, speedy and consistent supplies, Irani said. It would also be important for Indian refractory manufacturers to focus on their raw materials security. Industry insiders do acknowledge that raw materials security is a concern especially with China imposing quantitative restrictions on export of raw materials and also jacking up prices over the last year or so. Cheaper refractory imports from China are also putting a pressure on the industry's margins. Hiring and retaining skilled manpower is a major challenge that the Indian refractory industry has to cope with.



(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

GOVERNMENT INITIATIVES TO REFRACTORY SECTOR:

India can become a refractory hub if the right steps in favour of the sector are initiated, such as making it a part of the Steel Research and Technology Mission of India (SRTMI), which has already attracted an initial corpus of Rs 200 crore. India is pinning its hopes on a favourable mining policy that will encourage it to mine in India and reduce dependence on China for raw materials. Indian Government have taken various initiatives for the growth of Refractory Industry in India, on implementation of plans the refractory industry will grow at substantial rate.

National Steel Policy, 2017: The National Steel policy aims to create self-sufficiency in steel production by providing policy support and guidance to private manufacturers, MSME steel producers and central public sector enterprises.

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

FUTURE OUTLOOK:

Refractory business is a capital intensive industry which requires heavy investment in technology and basic raw materials. The business is heavily dependent on steel industry (nearly 70%) which is growing at substantial rate and on the contrary steel industry is upgrading technology to reduce its dependence on refractories products. The other industries where refractories can cater to are cement, sponge iron, chemical, petrochemical, glass, ceramic and limestone industries. The slowdown in the Indian economy has affected the steel industry resulting in lower top lines in refractory industry. Also, the increase in cost of raw materials, coals, petrol prices, etc. has affected the bottom lines. This is a highly specialized industry and depending upon the production capacities, plant location, technology implemented a competitive advantage can be structured and better performance can be expected in future. Indian Govt have taken various initiatives for the growth of Refractory Industry in India, on implementation of plans the refractory industry will grow at substantial rate.

(Source: Research Report on Refractory Industry – CARE Advisory - A Division of CARE Advisory Research and Training Limited - www.careratings.com)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward Looking Statements*” beginning on page 19 of this Draft Prospectus, for a discussion of the risks and uncertainties related to those statements and also the Section “*Risk Factors*” beginning on page 25 of this Draft Prospectus for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this Section, unless otherwise stated, is derived from our Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the Sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 25 and 173 of Draft Prospectus respectively.

Unless otherwise stated, references in this Section to “Zircar”, “the Company” or “our Company” are to Zircar Refractories Limited, and references to “we”, “our” or “us” are to the Company.

OVERVIEW:

Our Company was originally incorporated as “Zircar Ceramics Private Limited” at Mehsana, Gujarat as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1996 issued by the Registrar of Companies, Gujarat, Nagar & Dadra Havelli bearing Registration number 04-29048 of 1995-96. In order to reflect the business of the company through the name appropriately, the name of our Company was changed to Zircar Crucibles Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra Ordinary General Meeting held on April 05, 2010 and a fresh Certificate of Incorporation dated April 27, 2010 consequent upon Change of name was issued by Assistant Registrar of Companies Gujarat, Dadra & Nagar Havelli.

Further, the name of our Company was changed to Zircar Refractories Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra Ordinary General Meeting held on October 12, 2018 and a fresh Certificate of Incorporation dated October 16, 2018 consequent upon Change of name was issued by Deputy Registrar of Companies Gujarat, Dadra & Nagar Havelli. Subsequently, our Company was converted into Public Limited Company pursuant to a special resolution passed by members in Extra-Ordinary General Meeting of Company held on October 17, 2018 and the name of our company was changed to Zircar Refractories Limited vide a fresh Certificate of Incorporation dated October 31, 2018, issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U26910GJ1996PLC029048.

We are an ISO 9001:2015 certified Company, primarily engaged in the business of manufacturing of Silicon Carbide Crucibles, Clay Graphite Crucibles & its accessories. We also undertake manufacturing of refractory products such as Clay -Graphite Refractory Components, Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) & monolithic etc. Crucibles are used primarily for melting of Non-Ferrous metals like Copper, Brass, Gun Metal, Bronze, Aluminium, Zinc, Gold and Silver etc. Our Company also manufactures refractory products such as Stands, Ingate Sleeves, Stoppers, Stopper Heads, Converter segment and liner which have industry specific use. In order to achieve management’s vision of Continuous growth, Company has decided to diversify its product portfolio and has entered a new market namely Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) which are technically niche products. It includes products such as Ladle Shroud (LS), Mono Block Stopper (MBS), Sub Entry Nozzle (SEN) etc. We are also engaged in the trading of High Alumina Well Block, Magnesia Spray Mass etc.

With an installed capacity of 4000 MT per annum, our manufacturing facility at Mehsana, Gujarat is well equipped with requisite infrastructure including machineries, other handling equipments to facilitate manufacturing of silicon carbide crucibles and refractory products smoothly. In addition to the manufacturing

unit located at Mehsana, we also operate of business through our well-established Branch offices located at Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Pune and Chhattisgarh.

We manufacture Silicon Carbide Crucibles under the brand name “Platinum” for Indian Market. These Crucibles are tailor made for ferrous and non-ferrous applications. We also manufacture Isostatic Clay Graphite Crucibles with varied specifications. We provide following types of Platinum brand Crucibles with varied dimensions and working capacities.

Sr. No.	“Platinum” - Silicon Carbide Crucibles	Application
1	A-Shape Crucibles (Small)	For over lift out and bale out furnaces
2	A-Shape Crucibles (Big)	For over lift out and bale out furnaces
3	Basin-Shape Crucibles	For bale out furnaces
4	TPC Crucibles (Without Spout)	For overtop crucibles for tilting furnaces
5	TPC Crucibles (With Spout)	For tilting Furnaces
6	TPC Crucibles (Spouted Basin)	For tilting Furnaces
7	Cylindrical Crucibles	For Induction Furnaces

Supplying qualitative products is of utmost importance in our industry and ensure that we adhere to the quality standards all the time. We have been accredited with ISO 9001:2015 Certification for Quality Management System for manufacturing and sale of silicon carbide crucibles, clay graphite crucibles and accessories from DNV GL, Chennai. We endeavour to maintain safety in our premises by adhering to key safety norms. We have in-house testing laboratory to test our raw materials and finished products to match the quality standards and as specified by the customers. We are equipped with destructive and non-destructive testing mechanisms to monitor and control the quality of crucibles.

We have broader customer base in the ferrous and non-ferrous industries and has a well-established distributor/dealer’s network which is strategically spread across India and also over the world to cater to the needs of the end users. We have our dealers located at Agra, Ahmedabad, Aligarh, Baroda, Bangalore, Chennai, Coimbatore, Delhi, Faridabad, Hyderabad, Jagadhari, Jaipur, Jalandhar, Jamnagar, Jodhpur, Kanpur, Kolkata, Mathura, Mirzapur, Moradabad, Mumbai, Rajkot, Revadi, Sangali and Surendranagar to take care of our Crucibles Sales Operations in Indian market. We also have dealers in overseas market in order to undertake export operations. They are primarily located at Bulgaria, Egypt, Iran, Italy, Morocco, Russia, South Korea, Syria, Turkey, UAE.

We supply our products across India through our dealers’ network. We supply crucibles directly through tender to BHEL, SAIL Bhilai, SAIL Rourkela, SAIL Kulti and Ordnance Factory at Ambajhari, Nagpur. We manufacture quality Clay-Graphite components for steel foundries for casting operations. Stoppers and Ingate Sleeves are being supplied to Rail Wheel Factory, Indian Railways at Bangalore through tendering process. Our refractory products are supplied to steel plants for their Ladle and Tundish management. Our Products have wide applications in varied industries.

We have also made our presence in international markets significantly; thereby exporting our Silicon Carbide Crucibles to countries such as Brasil, Bulgaria, Colombia, Egypt, Georgia, Hong-Kong, Iran, Israel, Italy, Japan, Kuwait, Lebanon, Malaysia, Morocco, Nepal, Oman, Peru, Russia, Saudi Arabia, Singapore, South-Korea, Sri-lanka, Syria, Thailand, Turkey, UAE, Uganda, USA, Vietnam

Our Global Presence:



We are also setting up a new manufacturing facility to manufacture Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR). We have already purchased the land situated at Survey No. 235, 1475, 1476, 1479, 1480/2, 1481, 1482, 1484, and 1488 Near Kamalpur Village, Dabhala, Vijapur Road, Mehsana – 382865, Gujarat, India for our proposed manufacturing facility. We would undertake manufacturing of refractory products such as Ladle Well Block, Porous Plug, Slide Gate, Collector Nozzle, Nozzle Filling Compound, Impact Pad, Castables, Ramming Mass, Precast Shapes and Tundish Nozzle at our proposed manufacturing facility. This will complement our existing capacity thereby increasing our range of products for our existing customers.

The promoters of our Company are Hiralal Rai and Kamla Rai. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. With an experience of four decades in the field of Crucibles and refractory products industry, it is the vision and dedication of our Promoter which has paved the growth path of our Company. Our Promoters believe in the ideology of continuous improvement and development. Also, we believe role of a management team is equally important as to that of our employees for growth of a business, and accordingly we have placed an experienced management team to look after various facets of operations. We are supported by a team of well experienced and qualified metallurgical and refractory engineering personnel. Thus, we are committed to elevate the standards of our products and services to offer customer satisfaction through excellence in quality.

OUR LOCATIONAL PRESENCE:

Registered Office:

402, Fourth Floor, Campus Corner, St. Xavier's College Cross Road, Navrangpura, Ahmedabad 380009, Gujarat, India

Manufacturing Facility (Unit-1):

306, Mehsana-Vijapur Road, Near Shobhashan Char Rasta, Mehsana - 384001, Gujarat, India.

Warehouse Facility cum Manufacturing Facility (Unit-2):

246/1, Mehsana-Vijapur Road, Near Shobhashan Char Rasta, Mehsana - 384001, Gujarat, India.

Branch Offices:

Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Chhattisgarh, Mumbai and Pune.

Proposed Manufacturing Unit:

Survey No. 235, 1475, 1476, 1479, 1480/2, 1481, 1482, 1484, and 1488 Near Kamalpur Village, Dabhala, Vijapur Road, Mehsana – 382865, Gujarat, India.

Staff Quarters

J 601, 602, 604, 701, 702 703, 704 Himalaya Royal, Mehasana - 384002 Gujarat

OUR COMPETITIVE STRENGTHS:

Our Competitive Strengths are as follows:

❖ Experienced Management:

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance over the years. In particular, our Promoter, Chairman & Managing Director, Mr. Hiralal Rai leads the company with his vision. He has an experience of more than four decades in the field of Crucibles and other refractory products industry. He is responsible for the overall growth of the Company over a period of time. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. We have a team of qualified metallurgical and refractory engineering personnel for executing our technical operation. We are dedicated to the development of the expertise and know-how of our employees and continue to invest in them to ensure that they have the necessary training required to be successful in today's challenging environment. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

❖ Quality Assurance:

We believe in manufacturing quality products and always conscious about quality. Our products and processes undergo regular quality checks to ensure zero defects. The quality assurance efforts include thorough checking of all raw materials, other inputs and finished goods to ensure quality. All the divisions are well equipped with quality checking and testing equipments for quality assurance. We have in-house testing laboratory to test our raw materials and finished products to match the quality standards and as specified by the customers. We are equipped with destructive and non-destructive testing mechanisms to monitor and control the quality of crucibles. We are focussed on ensuring zero defects in our products and quality certification is an endorsement of the systems and processes developed with years of experience and knowledge. We have been accredited with ISO 9001:2015 Certification for Quality Management System for manufacturing and sale of silicon carbide crucibles, clay graphite crucibles and accessories from DNV GL, Chennai.

❖ Diversified range of products:

Our Company has a varied product range to cater to the requirements of our Customers. Our product portfolio includes diversified variety of crucibles and other refractory items in various specifications, sizes having wide applications in varied industries. It includes Crucibles and refractory products such as Stands, Ingate Sleeves, Stoppers, Stopper Heads, Converter segment and liner which have industry specific use. Company has also forayed into Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) which are technically niche products. Our range of products allows our existing customers to source most of their product requirements from us and also enables us to expand our business from existing customers, as well as to address a larger base of potential new customers.

❖ Widespread sales and distribution network:

Our widespread sales and distribution network allows us to reach a wide range of consumers and ensures effective penetration of our products and marketing campaigns. Our sales and distribution network is strategically spread across India and also over the world. We operate through our branch offices and also through dealers in domestic market for sale of crucibles. We also have dealers in overseas market in order to undertake export operations. We believe that our extensive distribution network enables us to serve our customers and markets in an efficient and timely manner.

❖ **Clients Retention:**

We believe that meeting client's specific requirements and delivery of timely services are key factors for growth. Our Company ensures customer satisfaction by taking steps for meeting client's specific requirements and maintaining consistency in quality and this has yielded results in the form of client retention. We believe that we have met out the expectations of the customer by delivering the quality products in a timely manner which favours us to get the repetitive orders from our customers. We try to provide customer specific solutions. Loyalty of our existing customers helps us to maintain a long term working relationship with them. Further our approach has also helped us in expanding our present customer base.

OUR BUSINESS STRATEGIES:

We envisage long term growth by supplying qualitative products and building long term relations with customers. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business. We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:

❖ **Setting up of new manufacturing facility:**

We are setting up a new manufacturing facility to manufacture Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR). Our Company has already purchased the land situated at Survey No. 235, 1475, 1476, 1479, 1480/2, 1481, 1482, 1484, and 1488 Near Kamalpur Village, Dabhala, Vijapur Road, Mehsana – 382865, Gujarat, India for our proposed manufacturing facility. This facility will complement our existing capacity thereby increasing our range of products for our existing customers. The proposed facility will ensure to meet the requirements of the customers who require the CCR and SGR as per their usages. We continue to improve and consolidate our position in crucible and refractory products industry. This expansion needs access to a larger amount of liquid funds and sufficient working capital. The same are proposed to be funded from the IPO proceeds and from Banking Facilities.

❖ **Improving functional efficiency:**

We intend to improve efficiencies to achieve cost reductions and which will give us a competitive edge over our peers. We believe that this can be achieved through detailed analysis of our processes and continuous process improvement along with keeping pace with technology development. We continue to develop our technology systems to increase asset productivity, operating efficiencies and strengthen our competitive position. We believe that our in-house technology capabilities will continue to play a key role in effectively managing and expanding our operations, maintain strict operational and fiscal controls and continue to enhance customer service levels. We intend to continue to invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control.

❖ **Enhance customer base by entering new geographies:**

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products in different parts of the country. Our Company operates from Mehsana, Gujarat with having dealers spread across India and also wide spread branch offices in India. We propose to increase our marketing and sales team which can focus in different regions and also maintain cordial relationships with our customer. Enhancing our presence in additional region will enable us to reach out to a larger population. Further our Company believes in maintaining long term relationship with our customers in terms of increased sales. We aim to achieve this by adding value to our customers through innovations, quality assurance and timely delivery of our products.

❖ **Brand image:**

We currently supply our products under brand name "Platinum". We would continue to associate ourselves with good quality customers and execute our operations to their utmost satisfaction. We are highly conscious

about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

❖ **Leveraging our market skills and relationship:**

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

OUR MAJOR PRODUCTS:


Our products are categorised as follows:

1) Silicon Carbide Crucibles and Crucibles Stand


Sr. No.	Name of the Product	Description
1.	<u>SILICON CARBIDE CRUCIBLES</u> 	<p>Crucible is open mouth pot to withstand high temperature, made of inorganic materials. They are used primarily for melting of Non-Ferrous metals like Copper, Brass, Gun Metal, Bronze, Aluminium, Zinc, Gold and Silver etc. Crucibles have properties such as High hot and cold physical strength, Excellent thermal conductivity, High thermal shock resistance, Low coefficient of thermal expansion, High oxidation resistance, High resistance to metal and fluxes, Non wettable to metals, High slag resistance.</p> <p>Crucibles are used in Coal, Coke, Oil, Gas and Electrical furnaces. They are generally A shape, B Shape and TP Shape. Crucibles are made in Silicon Carbide and Clay Graphite quality; both are having almost similar applications. We use different grades of SiC, Graphite, Si Metal, Ferro Silicon, Clay, Brown Fused Alumina, Resin, Coal tar Pitch etc. for manufacturing Crucibles.</p>
2.	<u>CRUCIBLES STAND</u> 	<p>Stand is made in Silicon Carbide as well as Clay Graphite quality. It is solid cylindrical product to be used as base of Crucible. Since stand has to face highest temperature and heaviest weight over and above very high thermal shock, it also possesses qualities as mentioned above for Crucibles. We use different grades of SiC, Graphite, Si Metal, Ferro Silicon, Clay, Brown Fused Alumina, Resin, Coal tar Pitch etc. for manufacturing Crucibles Stand. They are available in two types: A Type – Solid Cylindrical and B Type – Solid Taper with varied specifications and applications.</p>

We also manufacture Isostatic Clay Graphite Crucibles with varied specifications.


2) Converter Segment & Liner

Sr. No.	Name of the Product	Description
1	<u>CONVERTER SEGMENT & LINER</u> 	<p>Ductile Iron is a high Carbon ferrous material with graphite in spheroidal form achieved through Mg treatment in a converter. It possesses greater tensile strength, machinability than ordinary cast iron and also has considerable measure of ductility, resistance to impact.</p> <p>Segment is used in converter segment for transforming Iron to ductile form. It has life of around 200 reaction charges. Liner is used for transferring molten ductile item to centrifugal machine for manufacturing spun pipe of various diameters. It has life of around 10 days of continuous use. We also supply converter segment for manufacturing various types of Steering knuckles.</p>


3) Ingate Sleeve & Stopper

Sr. No.	Name of the Product	Description
1	<u>INGATE SLEEVE & STOPPER</u> 	<p>Ingate Sleeves and Stoppers are required in Wheel manufacturing in Wheel Shop. We supply our Ingate Sleeves and stoppers to Indian Railways through tendering process. We use different grades of SiC, Graphite, Si Metal, Clay, Brown Fused Alumina, Resin etc. for manufacturing Ingate Sleeves and Stoppers.</p>


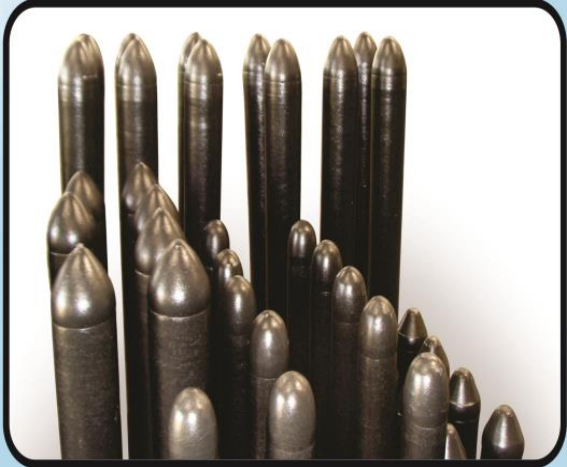
4) Stopper Heads



Sr. No.	Name of the Product	Description
1	<u>STOPPER HEAD</u> 	<p>Stopper head, made of Clay Graphite, is used for bottom pouring of iron and steel ladles. It is used at the bottom of stopper head assembly having stopper rod, Stopper Sleeves and Stopper head. It is used for single to multiple pouring. We supply stopper heads to Steel foundries for casting purpose.</p> <p>We manufacture Platinum brand Clay Graphite Stopper Heads in S Type, S-H Type, RS Type, RS-H Type, CP Type. It is used for controlling outflow of molten metal through the nozzle of bottom pour ladles. The Stopper head works from the inside of the ladle to open and close the passage through the pouring nozzle which extends vertically through the bottom of the ladle and to control the flow of the molten metal.</p>




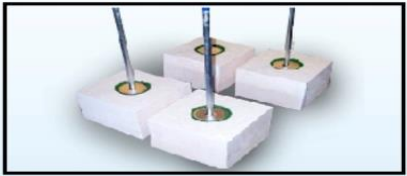
5) Zircem Cement

Sr. No.	Name of the Product	Description
1	<u>ZIRCEM CEMENT</u> 	<p>Zircem Cement is high quality carbon containing refractory cement which is used in foundries for jointing/ repairing any refractory material and can also be used for providing a protective coating for refractories in contact with molten metal. It is supplied in dry powder form and just requires addition of water. Quantity of water varies depending on application. We use different grades of SiC, Graphite, Si Metal, Zircon, Clay etc.</p>



6) Continuous Casting Refractories (CCR) and related Refractories

Sr. No.	Name of the Product	Description
1	<p><u>LADLE SHROUD (LS)</u></p> 	<p>Ladle Shroud is used for protecting molten steel from oxygen during the flow of steel from ladle to Tundish. It has following attributes: high strength at steel application temperature, high thermal shock resistance, high corrosion resistance, high oxidation resistance.</p> <p>It has fiber gasket to ensure better fitment with collector nozzle and Argon purging provision by various ways to produce cleaner and high quality steel. It consists non oxidized bore, metallic can, Anti spalling oxidized layer and a thicker and anti-corrosive Slag zone.</p> <p>Different shapes and sizes of varying configuration as per customer needs are manufactured. We use different grades of Graphite, Si Metal, Brown Fused Alumina, Resin, Fused Silica etc. for manufacturing of ladle shroud.</p>
2	<p><u>MONO BLOCK STOPPER (MBS)</u></p> 	<p>Mono Block Stopper is used for controlling flow of molten steel from Tundish to water cooled copper mould. It has following attributes: high strength at steel application temperature, Good thermal shock resistance, High corrosion resistance and High oxidation resistance, High abrasion resistance, particularly nose area, Nose area geometry has to be exact matching SEN seating area.</p> <p>It has metallic insert with standard thread for stopper hanging arrangement, accurate holes for multiple cross pin hanging arrangement. It consists of thicker and anti-corrosive Slag zone, Calibrated Argon Plugs, High Alumina/ Magnesia Nose Mix, Special Nose mix, Anti-sticking coat.</p> <p>Since MBS is to be used multiple times, nose needs to be reshape before reuse thru process of chipping and shaping. It needs good strength to tolerate torturous working condition. Different shapes and sizes of varying configuration as per customer needs are manufactured. We use different grades of Graphite, Si Metal, Brown Fused Alumina, Resin, Zirmul, Fused Magnesia, DBM etc. for manufacturing Mono Block Stopper.</p>
3	<p><u>SUB ENTRY NOZZLE (SEN)</u></p>	

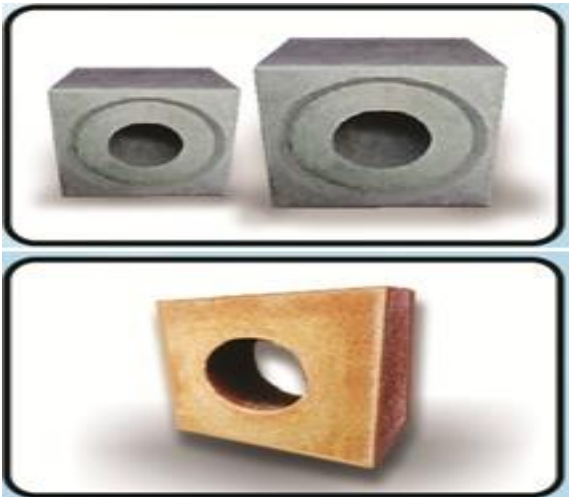

Sr. No.	Name of the Product	Description
		<p>Sub Entry Nozzle is used for protecting molten steel from oxygen during the flow of steel from Tundish to copper mould. It have following attributes: High strength at steel application temperature, High thermal shock resistance, High corrosion resistance particularly at mould powder level, High oxidation resistance.</p> <p>It has radial contact point for MBS, ensuring better flow control inside the mould, High alumina/magnesia seat mix for MBS seating, Anti Sticking Coat, Circular Grooves, Insulating Ceramic Fiber to prevent heat loss, High quality Zirconia Carbon to prevent corrosion</p> <p>Raw Glaze is applied on inside and outside surface, which gets matured during tundish preheating process. 2 – 3 mm thick ceramic fibre paper is suitably wrapped on SEN outer body to reduce heat losses during preheating and casting. Different shapes and sizes of varying configuration as per customer needs are manufactured. We use different grades of Graphite, Si Metal, Brown Fused Alumina, Resin, Zirmul, Zirconia, Fused Magnesia, DBM etc. for manufacturing Sub Entry Nozzle.</p>
4	<p><u>NOZZLE FILLING COMPOUND (NFC)</u></p>  <p>Nozzle Filling Compound</p>	<p>Nozzle Filing Compound (NFC) is a free flowing refractory material used in the Ladle or Tundish Sliding Gate to prevent steel freeze to ensure easy opening at the start of the casting. NFC is a high refractory granular product with selected particle size and distribution which remains flow able at the high temperature and ensuring consistent and trouble free ladle slide gate operation.</p> <p>When desired quality of steel is poured to ladle from steel melting unit, steel needs to be protected from cooling before pouring to tundish. NFC in various qualities like quartz/ zircon/ chromite sand base is used to fill up the cavity in ladle well block, ladle nozzle, slide gate top plate. After assembly of LS to slide gate mechanism through collector nozzle, NFC powder flows to tundish while opening slide gate hole for flow of molten steel. We use different grades of Silica Sand, Zircon Sand, Chromite Sand, Graphite etc. for manufacturing of Nozzle Filling Compound.</p>
5	<p><u>COLLECTOR NOZZLE & LADDLE NOZZLE</u></p>	<p>Collector Nozzle is made of resin bonded Alumina - Carbon and it is supposed to perform 4-5 Life depending upon application. Location of Collector Nozzle is in the Ladle Assembly. It is</p>

Sr. No.	Name of the Product	Description
	 <p>Collector Nozzle</p>  <p>Ladle Nozzle</p>	<p>attached to bottom slide plate and LS is fixed to bottom of Collector Nozzle. It is encased in metal cane duly fixed with the help of 90% alumina mortar. It has following attributes: withstand high temperature of metal, corrosion resistance, erosion resistance, good thermal shock resistance. We use different grades of Tabular Alumina, BFA, Silicon Metal, SiC, Resin, Carbon Black etc. for manufacturing Collector Nozzle.</p> <p>Ladle Nozzle and Collector Nozzle are used in Ladles for flow control to Tundish. These advanced Nozzles control the flow of Molten Steel in an efficient manner. Ladle Nozzle is made of resin bonded Alumina - Carbon and it is supposed to perform 4-5 Life depending upon application. Location of Ladle Nozzle is in the Ladle Assembly. It provides support to top slide gate plate. It has following attributes: can withstand high temperature of metal, corrosion resistance, erosion resistance, good thermal shock resistance. We use different grades of Tabular Alumina, BFA, Silicon Metal, SiC, Resin, Carbon Black etc. to manufacture Ladle Nozzle.</p>
6	<p><u>PURGING SYSTEM</u></p>  <p>Purging Plug</p>  <p>Purging Plug Well Block</p>	<p>Inert Gas is injected in the molten metal steel through bottom mounted Porous Plug. This is the most cost effective and efficient method of Gas stirring in ladle in steel making process. Purging Refractories includes: Porous Plug and Porous Plug Well Block.</p> <p>Purging Plug Well Block is made of high alumina Castables and it is supposed to perform total life of ladle which is 40-60 heats generally. Location of PP Well Block is in the Ladle Assembly. It provides support to Porous Plug. Purpose of porous plug is to pass argon gas to ladle metal for homogenizing metal temperature in the ladle.</p> <p>It has following attributes: can withstand high temperature of metal, corrosion resistance, erosion resistance, good thermal shock resistance. We use different grades of Tabular Alumina, High Alumina Cement, Reactive Alumina etc. to manufacture purging system.</p>
7	<p><u>TUNDISH NOZZLE</u></p>	<p>Tundish Nozzles or Tundish Metering Nozzles are basically used for controlling the flow of steel from the Tundish to the Continuous Casting Machine. Tundish Nozzle is also known as metering nozzle and is used in open continuous casting application. It is used in bottom of tundish as a</p>

Sr. No.	Name of the Product	Description
		<p>replacement of SEN. Steel falls directly in open to copper mould. It is used only at the places where quality of steel is not of paramount importance. It is generally used for casting steel blooms/billets for further manufacturing of TMT bars.</p> <p>Different kinds of Tundish Nozzle includes Alumina Nozzle, Alumina Carbon Nozzle, Zirconia Alumina Carbon Nozzle which are manufactured for single to multiple casting application. Zirconia Nozzles are manufactured using 65% to 95% Zirconia. It can be used where application demands pouring time up to 40hrs for single to multiple casting. Zirconia insert is manufactured separately and then pressed together as tundish nozzle made of alumina carbon. We use different grades of Zirconia, BFA, Graphite, Carbon Black, SiC, Si Metal, Resin etc. to manufacture tundish nozzle.</p>
8	<p><u>SLIDE GATE PLATES</u></p> 	<p>Slide Gate Plates are highly resistant against slag and metal attack, good in abrasion resistance, excellent surface finishing, no fuming of tar or pitch and excellent in thermal shock resistance. It is made of resin bonded alumina-carbon / Zirconia-carbon. It is tar impregnated and finally ground to metal finish level on rotary surface grinder to provide 100% surface contact between top and bottom slide plates.</p> <p>It is metal caged to provide extra strength to slide plate and it has following attributes: can withstand high temperature of metal, corrosion resistance, erosion resistance and good thermal shock resistance. It has very high temperature strength so that it can be operated continuously with attached hydraulic operating mechanism. We use different grades of Tabular Alumina, WFA, Silicon Metal, SiC, Resin, Carbon Black etc. to manufacture Slide Gate Plates.</p>

8	<p><u>REFRACTORY CASTABLE</u></p>  <p>Refractory Castable</p>	<p>Refractory Castables have extremely high strengths and volume stability at all temperatures up to their maximum operating temperatures. The Categories of Castables are Medium Cement, Low Cement, Ultra Low Cement and No Cement Conventional.</p> <p>Castables are used in tundish backup lining and tundish patching whereas ramming masses are used for well block fixing. We use different grades of Calcined Bauxite, BFA, Calcined Clay, High Alumina Cement, Calcined Alumina etc. to manufacture refractory Castables.</p>
9	<p><u>HIGH ALUMINA MORTAR</u></p> 	<p>The high alumina mortar is 90A Green Mortar having 90% Alumina. It has excellent bonding strength and resistance to metal penetration.</p>

7) **Trading: We are also engaged in the trading of following products: High Alumina Well Block and Magnesita Spray Mass**

Sr. No.	Name of the Product	Description
1	<p><u>HIGH ALUMINA WELL BLOCK</u></p> 	<p>High Alumina Well Block have high tensile strength and it can withstand high temperature. It is used in Ladle. Two types of Well Block are Casting Route and Pressing Route. It is supported by Ladle Nozzle and Porous Plug.</p>
2	<p><u>MAGNESIA SPRAY MASS</u></p>  <p>Basic Spray Mass</p>	<p>Magnesia Spray Mass is used for tundish lining. Quality of spray mass varies between 60% - 85% MgO depending up on application. Magnesita Spray mass lining has to be de skulled after every application. Skulling process has to be soft and easy so that tundish can be easily prepared for next operation. It is suitably designed by using dead burnt magnetite and dunite as a major raw materials.</p>

OUR RAW MATERIALS

The major raw materials used in our manufacturing process are different grades of SiC, Graphite, Si Metal, Ferro Silicon, Resin, Coal tar Pitch, Clay, Brown Fused Alumina (BFA), White Fused Alumina (WFA), Fused Silica, Zirmul, Fused Magnesia, Dead Burnt Magnesia (DBM), Borax, Boric Acid, Coal Tar Pitch, Quartz Powder, Frit, Hexamine Powder, Calcined Alumina, Calcined Bauxite, Zircon Sand, Tabular Alumina, Zirconia, Micro Silica, Boron Carbide, Chromite Sand, High Alumina Cement, Metallic Aluminium Powder, Raw kyanite, Quartz, Carbon Black, Reactive Alumina etc.

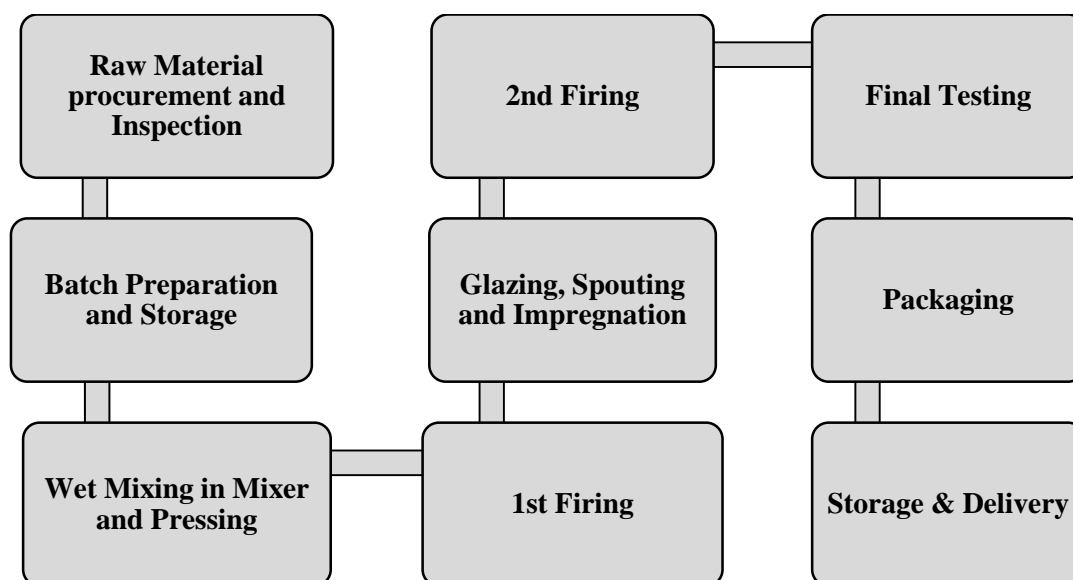
We source our raw materials from domestic as well as international markets. We import our raw materials from Australia, Brazil, China, Germany, Hong Kong, Russia, Singapore, South Africa, United Kingdom.

END USERS

We provide crucibles for various industrial use. Crucibles are tailor made for ferrous and non-ferrous applications. We supply our Ingate Sleeves and stoppers to Indian Railways through tendering process. We also supply stopper heads to Steel foundries for casting purpose. Our refractory products are supplied to steel plants for their Ladle and Tundish management.

OUR PRODUCTION PROCESS:

The process of manufacturing of Crucibles and other refractory items includes following steps.



Step 1: Raw Material procurement and Inspection:

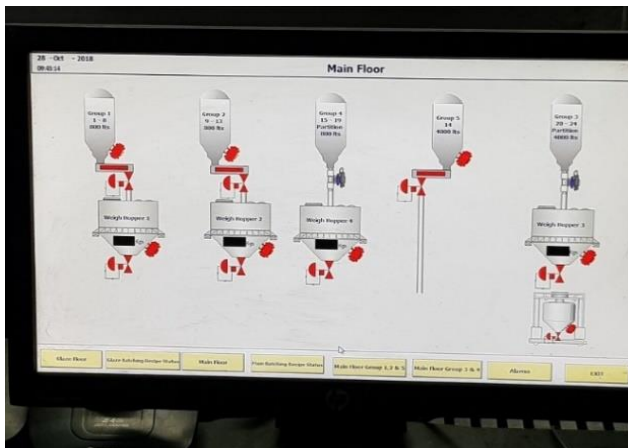
We require raw materials such as different grades of SiC, Graphite, Si Metal, Ferro Silicon, Resin, Coal tar Pitch, Clay, Brown Fused Alumina (BFA), White Fused Alumina (WFA), Fused Silica, Zirmul, Fused Magnesia, Dead Burnt Magnesia (DBM), Borax, Boric Acid, Coal Tar Pitch, Quartz Powder, Frit, Hexamine Powder, Calcined Alumina, Calcined Bauxite, Zircon Sand, Tabular Alumina, Zirconia, Micro Silica, Boron Carbide, Chromite Sand, High Alumina Cement, Metallic Aluminium Powder, Raw kyanite, Quartz, Carbon Black, Reactive Alumina etc. They are available in domestic market as well as some needs to be imported.

We maintain a system for defining the parameters of acceptability of each raw materials. These parameters of acceptability are duly circulated among the concerned suppliers, purchase department and quality inspection team. We undertake in house tests such as Dry Sieve Analysis, Wet Sieve Analysis, Loose Density, Packed Density, Moisture Content, Volatile Matter, Fixed Carbon, specific gravity, magnetic iron content, Loss on Ignition, Coking value, Viscosity of Resin Liquid, Solid Content of Resin, Dry Shrinkage, Fired Shrinkage etc. Once the raw materials enter the factory premises, the Quality Control department runs the necessary checks to either to approve or reject the particular lot. Once the raw material is cleared, it is then stored in its respective location by the stores.



Step 2: Batch Preparation and Storage:

We are equipped with system of Auto Batch Weighment, which performs through PLC and Scada. The whole system is set on 4 floors, with 38 silos and 1 high intensity German made automatic Eirich Mixer which performs without any human intervention. The mixing sequence in terms of machine RPM, reverse and forward mixing, along with the mixing time is pre-fed to the system, so that consistency is maintained in each and every batch. Dry and semi-wet mixing is carried out in Eirich Mixer, as per our requirements. Dry batches weighing 150 kgs to 300 kgs are prepared and stored on racks specially made for batch storage and identification.



Step 3: Wet mixing in Mixer and Pressing:

Sigma mixer is Z-Blade jacketed mixer for high intensity and high temperature mixing. Mixer is heated through electrically heated high therm oil. This hot oil is circulated on the body of mixer to increase mix temperature. Dry mix is heated to about 65 Degree C and then preheated pitch binder is added to hot dry mix. Liquid binder is thoroughly and homogeneously mixed. Then the mix is ready for pressing. Each and every Crucible product has separate die set of mould and plunger along with other accessories. Mould and plunger are preheated to match temperature of mix so that mix doesn't become dry. Mix is fed to die and rotated at high RPM and pressed centrifugally. In this process mix moves to the top due to centrifugal force and desired shape of crucible having high density is achieved. Crucible is cooled with compressed air and ejected through hydraulic system.



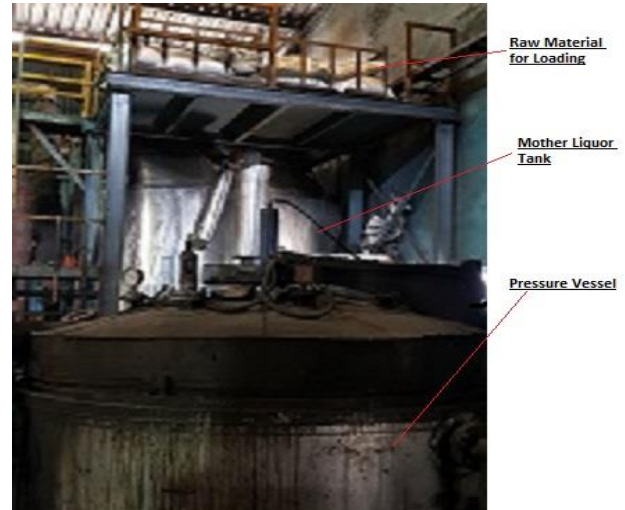
Step 4: 1st Firing:

Crucibles are fired in Tunnel Kiln as per firing cycle. Crucibles are indirectly fired by embedding in Silica Sand. They are loaded on trollies and trollies are pushed hydraulically in the Kiln. Kiln is having broadly 3 zones i.e. preheating zone, firing zone and cooling zone. These zones have pre-set temperatures through gas firing supplied by Sabarmati Gas Limited. Total in to out firing cycle is of 36 hours and there are 23 trollies inside the kiln on any given time. Trollies are cooled, unloaded and then prepared for next loading.



Step 5: Glazing, Spouting and Impregnation:

Crucibles are preheated to 85- 90 degree C in Forced Draft Oven (FDO) through gas heated hot air. They move through metallic channel conveyor. Preheated crucibles are drawn to spray booth and glaze is applied on the crucibles thru spraying process.



Spouted Crucibles are used in tilting furnaces for pouring molten metal to die. Crucibles and Spouts are prepared separately for jointing by ceramic binder. Spout is pressed pneumatically on Crucible to give strong bonding and further processed. Impregnating system has two vessels i.e. mother tank and pressure vessel. Mother tank is used for preparing and storing glazing solution made of Borax and Boric acid in water at 85-90 Degree C.



Step 6: 2nd Firing:

As per requirement either FDO glazed Crucibles or Impregnated Crucibles are fired in Shuttle Kiln or Top Hat Kiln as per pre decided firing cycle. These are gas fired kilns and total firing cycle is of 7-8 hours.



Top Hat Kiln



Shuttle Kiln

Step 7: Final Testing:

Final Testing of the products is done to ensure product quality. Our products undergo quality checks to ensure zero defects. The quality assurance efforts include thorough checking of all finished goods using testing equipments to ensure quality. We have in-house testing laboratory to test our finished products to match the quality standards and as specified by the customers.

Step 8: Packaging:

Since Crucible is fragile material, packing & transportation is very important for safe deliverance to customers. We pack Crucibles in Corrugated and Wooden boxes. Both types of boxes are tailor made as per specifications. These boxes provide extra support to Crucibles. Crucibles are packed using poly urethane foam. PU foam comes in two components i.e. component A and component B in separate drums. These materials are imported from USA and sprayed in boxes through an imported foam packing machine. Liquid foam enters every nook and corners of box and expand many times to form foam. This class of packing is of very high standard and we use both in domestic as well as export.



Wooden Packed Crucible

Corrugated Packed Crucible



Foam Packing Machine

Step 9: Storage & Delivery:

After proper packaging as per the customer's requirement, they are either directly loaded into trucks for shipment or they are stored in the warehouse inside the premises itself. Necessary care is taken to avoid any defect in the products.



Storage of Packed Crucibles on Racks



Storage of Packing Materials

FINANCIAL SNAPSHOT:

Financial Snapshot of our Company as per Our Restated Financial Information is as under:

(₹ in Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Total Revenue	5,883.75	4,602.21	4,207.95
EBITDA	724.40	622.22	590.13
EBITDA Margin (in %)	12.31%	13.52%	14.02%
Net Profit for the Year (PAT)	260.28	271.52	184.97
PAT Margin (in %)	4.42%	5.90%	4.40%

Note:

- EBITDA Margin = (Restated profit before tax + Finance Cost + Depreciation and amortization expense) / Total Revenue;
- PAT Margin = PAT/ Total Revenue

Details of Revenue from Manufacturing and Trading activities are as under:-

(₹ in Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Manufacturing	5,653.94	4,506.85	4,148.29
Trading	125.78	0.00	0.00
Total	5,779.72	4,506.85	4,148.29

Geographical break up of our revenue as per Restated Financial Information is as under:

(₹ in Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Domestic Market	4,695.11	3,411.01	2,855.83
Export Market	1,084.61	1,095.84	1,292.46
Total	5,779.72	4,506.85	4,148.29

Break up of revenue from Domestic Market is as under:*(₹ in Lakhs)*

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Northern India	1,659.51	1,303.31	1,012.50
Eastern India	208.38	167.39	113.64
Southern India	682.25	470.60	317.69
Western India	2,144.97	1,469.71	1,412.00
Total	4,695.11	3,411.01	2,855.83

Break up of revenue from Export Market is as under:*(₹ in Lakhs)*

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Brazil	1.04	0.88	-
Bulgaria	31.56	-	-
Colombia	16.71	10.27	-
Egypt	39.61	12.13	30.35
Georgia	12.36	-	-
Hong-Kong	-	-	0.07
India (Indirect Export)	-	-	4.41
Iran	252.68	412.28	517.46
Israel	2.59	8.86	7.92
Italy	58.09	103.77	125.49
Japan	-	0.16	-
Kuwait	-	-	2.32
Lebanon	-	14.35	-
Malaysia	1.05	0.41	0.99
Morocco	35.49	-	18.76
Nepal	0.91	0.94	1.83
Oman	2.93	-	-
Peru	-	19.63	44.34
Russia	45.40	25.40	-
Saudi Arabia	32.01	-	-
Singapore	-	0.59	-
South-Korea	129.28	67.25	107.80
Sri-lanka	-	7.18	13.39
Syria	76.46	83.73	39.38
Thailand	-	-	-
Turkey	278.66	176.87	176.28
UAE	64.87	122.52	163.65
Uganda	2.91	-	-
USA	-	-	6.74
Vietnam	-	28.62	31.30
Total	1,084.61	1,095.84	1,292.46

TOP 5 CUSTOMERS

Our Top 5 customers for the FY 2018-19:

(₹ in Lakhs)

Sr. No.	Customer Name	Country	Amount	% to Total Revenue
1.	Deputy Chief Materials Manager / Depot	India	458.51	7.93%
2.	Avon Foundry Store	India	368.24	6.37%
3.	Ritu Metal & Chemicals	Turkey	278.73	4.82%
4.	Kgd Grafit Metal Ve Endustri Malzemeleri San. Tic	Iran	278.67	4.82%
5.	Gulshan Traders	India	228.16	3.95%

TOP 5 SUPPLIERS

Our Top 5 Suppliers for the FY 2018-19

(₹ in Lakhs)

Sr. No.	Suppliers Name	Country	Amount	% to Total Purchase
1.	Snam Abrasives Private Limited	India	746.15	23.42%
2.	Etablissements Gallois S.A. (HK) Limited	Madagascar	429.40	13.48%
3.	Grindwell Norton Ltd	India	418.46	13.13%
4.	Rushabh Ferro Alloys	India	167.02	5.24%
5.	Nacional De Grafite Ltda	Brazil	165.74	5.20%

SWOT ANALYSIS

<u>Strengths</u> <ul style="list-style-type: none"> - Experienced Management Team - Quality Assurance - Diversified Product Portfolio - Widespread Sales network 	<u>Threats</u> <ul style="list-style-type: none"> - Competition in the domestic as well as international markets - Fluctuation in the cost of raw materials - Changing Technology - Changes in Government Policies
<u>Weakness</u> <ul style="list-style-type: none"> - Working Capital Intensive Business - Labour Intensive Business - Timely availability of Raw Materials 	<u>Opportunities</u> <ul style="list-style-type: none"> - Enhancing operational efficiency - Expanding New Geographical Markets - Enter into production of higher range of products

CAPACITY AND CAPACITY UTILIZATION

Our Company majorly deals into manufacturing of Crucibles and other refractory items. The production and utilisation capacities of our Company for these products for the past three years are set forth in the following table:

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Total Installed Capacity (M.T) p.a.	4,000.00	2,750.00	2,750.00
Utilized Capacity (M.T) p.a.	2,639.05	2,455.23	2,220.86
Utilized Capacity (%)	65.97%	89.28%	80.75%

LIST OF MAJOR PLANT & MACHINERY

As on date of Draft Prospectus, we have following major Plant & Machineries at our Manufacturing facilities:-

Sr. No.	Name of Plant & Machinery	Quantity
1	Automatic Batch Weighing System	2
2	Cold Isostatic Press	2
3	Gas Fired Curing Oven	3
4	Eirich Mixer	1
5	Electrical Oven	2
6	Force Draft Oven	2
7	Hydraulic Press	10
8	Impregnation System	1
9	Shuttle Kiln	2
10	Sigma Mixer	5
11	Styling Machine	3
12	Top Hat Kiln	1
13	Tunnel Kiln	1
14	Auto Crousel	2
15	CNC Press Machine	1
16	Lathe Machine	9
17	Rotary Dryer	2
18	Plough Mixer	1
19	Ribbon Blender	1
20	SPE Octagonal Blender	1
21	Cone Blender	1
22	Electrical Furnace	1
23	High Temperature Furnace	2
24	Surface Grinding Machine	1
25	TAR Impregnation	1
26	Curing Oven	3
27	Chimney	1

We are also well equipped with the other required plant and machineries in order to handle business operations smoothly. Also, as on date of this Draft Prospectus, Our Company does not have any second hand machinery.

COLLABORATIONS/ TIE UPS/ JOINT VENTURES

As on date of this Draft Prospectus, our Company has not entered into any technical or other Collaboration / Tie Ups / Joint Ventures.

EXPORT AND EXPORT OBLIGATIONS

As on date of this Draft Prospectus, our Company has following Export Obligations under Export Promotion Capital Goods Scheme:

License No.	Date of Issue	Export Obligation (₹ Lacs)	Duty Saved (₹ Lacs)	Outstanding Export Obligation (₹ Lacs)	Export Obligation Period
0830009426	March 31, 2017	7,547.59	159.47	5,376.74	6 Years commencing from March 31, 2017 to March 31, 2023

HUMAN RESOURCE:

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests, and background that would be an asset for our business.

As on August 31, 2019 we have 185 employees at Manufacturing Facility, Registered Office, and Branch Offices. These employees look after our manufacturing operations including production, quality controls, technical services, administration, and also marketing, accounting, secretarial and other functions. Our



manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our management team have enabled us to successfully implement our growth plans. Apart from these we also use contract labour services.

Department wise bifurcation of our employees are as under:-

Sr. No.	Departments	Number of Employees
1.	Production	36
2.	Management	2
3.	Sales & Marketing	16
4.	Accounts & Finance	5
5.	Legal & Compliance	1
6.	Purchase	2
7.	Admin & Others	12
8.	Workers	109
9.	Stores	2
	Total	185

SALES & MARKETING

The efficiency of the sales and marketing network is critical to success of our Company. Our success lies in the strength of our relationship with the clients, dealers who have been associated with our Company. In addition to the manufacturing unit at Mehsana, Gujarat, we also operate directly through our branch offices located at Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune for sale of crucibles.

We have broader customer base in the ferrous and non-ferrous industries and has a well-established distributor/dealer's network which is strategically spread across India and also over the world to cater to the needs of the end users. We have domestic dealers located at Agra, Ahmedabad, Aligarh, Baroda, Bangalore, Chennai, Coimbatore, Delhi, Faridabad, Hyderabad, Jagadhari, Jaipur, Jalandhar, Jamnagar, Jodhpur, Kanpur, Kolkata, Mathura, Mirzapur, Moradabad, Mumbai, Rajkot, Revadi, Sangali and Surendranagar to take care of our operations in Indian market for crucibles. We also have overseas dealers at Bulgaria, Egypt, Iran, Italy, Morocco, Russia, South Korea, Syria, Turkey, UAE.

We export our crucibles to countries such as Brasil, Bulgaria, Colombia, Egypt, Georgia, Hong-Kong, Iran, Israel, Italy, Japan, Kuwait, Lebanon, Malaysia, Morocco, Nepal, Oman, Peru, Russia, Saudi Arabia, Singapore, South-Korea, Sri-lanka, Syria, Thailand, Turkey, UAE, Uganda, USA, Vietnam.

We supply our products across India through our dealers' network. We supply crucibles directly through tender to BHEL, SAIL Bhilai, SAIL Rourkela, SAIL Kulti and Ordnance Factory at Ambajhari, Nagpur. We manufacture quality Clay-Graphite components for steel foundries for casting operations. Stoppers and Ingate Sleeves are being supplied to Rail Wheel Factory, Indian Railways at Bangalore through tendering process. Our refractory products are supplied to steel plants for their Ladle and Tundish management

Our team through their experience and good rapport with these clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To get repeat orders from our customers, our team having adequate experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers.

COMPETITION:

We face competition from both domestic and international players. Some of our competitors may have greater resources than those available to us. While product quality, brand value, distribution network, etc are key factors among competitors. Price still is the deciding factor in most cases. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way. Amongst listed Companies, we face competition from companies such as Morganite Crucible (India) Limited, Orient Refractories Limited and IFGL Refractories Limited.

UTILITIES & INFRASTRUCTURE FACILITIES:

Infrastructure Facilities:

Our registered office and manufacturing unit are well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly.



Power:

We have an electricity supply agreement with Uttar Gujarat VIJ Company Limited for a supply of 425 KVA at our Manufacturing Unit (Survey No. 306) and 99 KW (Survey No. 246/1) at our Warehouse cum manufacturing unit to meet our electricity requirements.

Water:

Our Company procures the water required for our manufacturing process from bore well.

Effluent Disposal / Environment Clearance

During the manufacturing process of crucibles and refractories varied effluents and contaminants are produced. The company has also received approval from Gujarat Pollution Control Board and the Disposal waste is as per the General Standards notified from time to time.

Health, Safety and Environment

We are committed to maintaining a safe work environment on an ongoing basis. We are subject to health, safety and environmental laws, regulations and certain production safety and environmental technical guidelines which govern our processes and facilities.

INSURANCE:

Our Company has insurance coverage which we consider reasonably sufficient to cover all risks associated with our operations and to cover our assets, risks and liabilities which we believe is in accordance with the industry standards. We have Standard Fire and Special Perils Policy, Burglary Policy, Money Insurance Policy, Workman's Compensation Policy, Marine Cargo Annual Turnover Policy, Business Interruption Fire Policy, Personal Accident Policy etc. for our assets, stocks etc. at our registered office and manufacturing facilities. Our policies are subject to customary exclusions and customary deductibles. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We will continue to review our policies to ensure adequate insurance coverage is maintained.

LAND AND PROPERTY:

We have our properties located at following:

Owned Properties:

The details of our owned properties are as follows:

Sr. No.	Address of the Property	Area of the Property	Current Usage
1.	306, Mehsana-Vijapur Road, Near Shobhashan Char Rasta, Mehsana - 384001, Gujarat, India.	12,950 Square Meters	Manufacturing Unit (Unit-1)
2.	246/1, Mehsana-Vijapur Road, Near Shobhashan Char Rasta, Mehsana - 384001, Gujarat, India.	3,642 Square Meters	Warehouse -cum-Manufacturing Unit (Unit 2)
3.	Gala No. 18, Ground floor, Shubh Industrial Estate Chinchpada, Vasai (East). Dist. Palghar, Vasai-401208, Maharashtra, India	85 Square Meters	Branch Office cum Warehouse
4.	Survey No. 235, 1475, 1476, 1479, 1480/2, 1481, 1482, 1484, and 1488 Near Kamalpur Village, Dabhala, Vijapur Road, Mehsana – 382865, Gujarat, India	41,209 Square Meters	Proposed Manufacturing Unit

Leased Properties:

The details of our leased properties are as follows:

Sr. No.	Address of the Property	Lessor	Area of the Property	Consideration	Lease Period	Current Usage
1.	402 Fourth Floor Campus Corner St. Xavier's College Cross Road Navrangpura Ahmedabad 380009 Gujarat India	Alok Rai	133 Square Meters	Monthly rent ₹ 80,000	11 months w.e.f. April 01, 2019	Registered Office
2.	NH-6, Bombay Road Ruptobrata Gram: Pakuria, Dag. No. 1746 Howrah- 711114 West Bengal, India	Soumen Sreemani	93 Square Meters	Monthly rent ₹ 16,500	11 months w.e.f. April 01, 2019	Branch Office cum Warehouse



Sr. No.	Address of the Property	Lessor	Area of the Property	Consideration	Lease Period	Current Usage
3.	26/4 & 26/7, Sewadham Road Opp. Nirmal Darbar Ashram, Mandoli. – 110093 Delhi, India	Vipul Kumar	260 Square Meters	Monthly rent of ₹ 69,200 for FY 2019-20	2 years w.e.f April 2018 to March 2020	Branch Office cum Warehouse
4.	No: 34, Ground Floor, New Street, S.M. Nagar Post, Solapuram, Chennai-600062, Tamil Nadu, India	V K Abbas	111 Square Meters	Monthly rent ₹ 21,300	3 years w.e.f. April 01, 2017	Branch Office cum Warehouse
5.	Gala No. 8, Ingawale Patil Estate, Pune Paud Road, Bhugaon, Pune - 411042, Maharashtra, India	Kalidas Laxman Ingawale and Pramod Kalidas Ingawale	23 Square Meters	Monthly rent ₹ 10,717 for period w.e.f. October 01, 2018 to September 30, 2019	60 months w.e.f. October 01, 2016	Branch Office cum Warehouse
6.	Gala No. 7A, Ingawale Patil Estate, Pune Paud Road, Bhugaon, Pune - 411042, Maharashtra, India	Kalidas Laxman Ingawale and Suman Kalidas Ingawale	107 Square Meters	Monthly rent ₹ 26,940 w.e.f. November 01, 2018 to October 31, 2019	60 months w.e.f. November 01, 2014	Branch Office cum Warehouse
7.	Plot No.209 H.No.49- 403/17/6 Ground Floor, Padmangar Phase-II Qutbullapur, Hyderabad Telangana-500054, India	R. Jagannadham	97 Square Meters	Monthly compensation ₹ 32,000	3 years w.e.f. February 25, 2019	Branch Office cum Warehouse
8.	Plot No. 36, Ground Floor, BMTC Depo Road, Near S.G. Convention Hall, Segehalli, Vishwaneedmpost, Magadi Main Road, Bangalore-560091, India	Devraju Vggaa	111 Square Meters	Monthly rent ₹ 13,000	3 years w.e.f. June 01, 2018	Branch Office cum Warehouse

Sr. No.	Address of the Property	Lessor	Area of the Property	Consideration	Lease Period	Current Usage
9.	G-15, Adarsh Nagar, Durg, Tal. & Dist. Durg - 491001, Chhattisgarh, India	Arpit Chandak	195 Square Meters	Monthly rent ₹ 15,000	11 months August 01, 2019	Branch Office cum Warehouse
10.	J 601-602, Himalaya Royal, Mehasana - 384002 Gujarat	Hiralal Rai	110 Square Meters each	Monthly rent ₹ 10,000 for each flat	1 year w.e.f. April 01, 2019	Staff Quarters
11.	J 604, J 701-702, Himalaya Royal, Mehasana – 384002 Gujarat	Alok Rai	110 Square Meters each	Monthly rent ₹ 10,000 for each flat	1 year w.e.f. April 01, 2019	Staff Quarters
12.	J 703-704, Himalaya Royal, Mehasana – 384002 Gujarat	Kamla Rai	110 Square Meters each	Monthly rent ₹ 10,000 for each flat	1 year w.e.f. April 01, 2019	Staff Quarters

INTELLECTUAL PROPERTY RIGHTS:

Trademark:

Our Company has obtained/applied registration for the following trademark:

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration Status
1.	ZIRCAR	Word	9	Zircar Crucibles Private Limited	3110158	November 28, 2015	November 28, 2025	Registered
2.		Device	1	Zircar Crucibles Private Limited	1197681	May 09, 2003	May 9, 2023	Registered
3.		Device	99	Zircar Refractories Limited	4071120	January 29, 2019	-	Objected

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of manufacturing of crucibles and other refractory products. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 199 of this Draft Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

National Steel Policy 2017

The National Steel Policy 2017 (“NSP”) has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. NSP 2017 is an effort to steer the industry to achieve its full potential, enhance steel production with focus on high-end value added steel while being globally competitive. The policy is set to provide environment for:

- a) attaining self-sufficiency in steel production by providing policy support & guidance to private manufacturers, MSME steel producers, CPSEs & encourage adequate capacity additions;
- b) Development of globally competitive steel manufacturing capabilities;
- c) Cost-efficient production and domestic availability of iron ore, coking coal and natural gas;
- d) Facilitate investment in overseas asset acquisitions of raw materials;
- e) Enhance domestic steel demand.

Industrial Policy of Relevant State

The New Industrial Policy, 2015

The policy aims to make Gujarat as an attractive “Total Business Destination” expedites the overall country’s economic growth, thereby increasing the standard of living and prosperity among the people of Gujarat by giving them the opportunity for skilled employment and availability of nurtured enterprise. This policy of Gujarat is a framework than a detailed blueprint, aimed at defining the broad contours of the government’s mission towards augmenting the industrial development of the state. The projects are classified into four categories wherein less than Rs. 10 crores is termed as MSME. Further there was promotion of Cluster Development in State. Clusters are geographic concentrations of competing and collaborating firms that tend to speed up economic development in an area by improving competitiveness, developing synergies and introducing innovation especially in the MSME sector. Being an industrialized state, Gujarat needs to have a strategy which can support industrialization through higher value addition. There is a provision for financial assistance proposed in the New Industrial Policy which is as follows:

- a) Assistance will be subject to preparation of a Comprehensive Development Plan for 5 years by the project cluster group
- b) Pecuniary assistance to nodal institutions/hiring of experts
- c) Clusters will be eligible for financial assistance as available under the Scheme of Critical Infrastructure.

The policy aims at enhancing competitiveness in MSME sector. The state has witnessed strong growth in the sector and envisages strengthening the sector and making it more technology driven. To motivate the entrepreneurs the Gujarat government will constitute separate awards for MSMEs. The use of Enterprise Resource Planning System (ERPS) will be encouraged in the sector. Financial assistance and training for ERPS shall be provided by the government.

There are many incentive schemes provided for MSME sector like market development assistance, shed and plot development, assistance to Industrial park, Logistics Park.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and The Companies Act, 2013

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies,

companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (“the EPF Act”) and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees’ provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer’s contribution and also Central Government’s contribution to the insurance fund shall be credited to an account called as “Deposit-Linked Insurance Fund Account.”

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable

service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

TAX RELATED LEGISLATIONS

Value Added Tax (“VAT”)

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

VAT of relevant State, where the company is operating.

Note: The VAT Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Note: Service tax has now been replaced by the Goods and Service Tax (GST) Act, 2017.

Central Sales Tax Act, 1956 ("CST")

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

Note: CST has now been replaced by the Goods and Service Tax (GST) Act, 2017.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

Note: Central Excise Act has now been replaced by the Goods and Service Tax (GST) Act, 2017.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services

Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

- a) 2.5% in case of restaurants etc.
- b) 1% of the turnover in state/UT in case of manufacturer
- c) 0.5% of the turnover in state/ UT in case of other supplier

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

The Gujarat Panchayats, Municipalities, Municipal Corporations And State Tax On Professions, Traders, Callings And Employments Act, 1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

OTHER LAWS

The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety

measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 (“Environment Protection Act”)

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981 (“the Act”) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act 1974 (“the Act”) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new

industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for

excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999(“FEMA”) and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to

a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), has issued consolidated FDI Policy Circular of 2017 ("**FDI Policy 2017**"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("**RBI**") also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our company is in the business of manufacturing of silicon carbide crucibles and clay-graphite refractory components in India. These activities are listed in section 5.2.5 under the head "Manufacturing" of the FDI Policy 2017 which allows 100% foreign direct investment through automatic route subject to the provisions of FDI Policy.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as “Zircar Ceramics Private Limited” at Mehsana, Gujarat as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1996 issued by the Registrar of Companies, Gujarat, Nagar & Dadra Haveli bearing Registration number 04-29048 of 1995-96. In order to reflect the business of the company through the name appropriately, the name of our Company was changed to Zircar Crucibles Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra Ordinary General Meeting held on April 05, 2010 and a fresh Certificate of Incorporation dated April 27, 2010 consequent upon Change of name was issued by Registrar of Companies Gujarat, Dadra & Nagar Haveli. Further, for reflecting the products manufactured by the company, the name of our Company was changed to Zircar Refractories Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra Ordinary General Meeting held on October 12, 2018 and a fresh Certificate of Incorporation dated October 16, 2018 consequent upon Change of name was issued by Registrar of Companies Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into Public Limited Company pursuant to a Special Resolution passed by members in Extra-Ordinary General Meeting of Company held on October 17, 2018 and the name of our company was changed to Zircar Refractories Limited vide a fresh Certificate of Incorporation dated October 31, 2018, issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U26910GJ1996PLC029048.

Pramod Bhatt and Himanshu Dave were the initial subscribers to the Memorandum of Association of our Company. Further pursuant to Share sale and Purchase agreement dated January 06, 2010, the initial subscribers, Pramod Bhatt and Himanshu Dave and Other Shareholders dissociated from our company. For further details, please refer the details set out in this chapter under heading “*Shareholders Agreement*” and the chapter titled “*Capital Structure*” on page 62 of this Draft Prospectus.

Hiralal Rai and Kamla Rai are the Promoters our Company. They were introduced to our Company on October 24, 1997 and March 31, 1999, respectively as Shareholders. For further details, please refer the chapter titled “*Capital Structure*” on page 62 of this Draft Prospectus.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

At present, the Registered Office of our Company is situated at 402, Fourth Floor, Campus Corner, St. Xaviers College Cross Road, Navrangpura, Ahmedabad Gujarat 380009 India. The details of the changes in the Registered Office of our Company are set forth below:

From	To	Effective Date	Reasons
13, Nutan Park Society, T. B. Road, Mehsana - 384002, Gujarat India	9, Netaji Park Society, B/h Pashabhai Petrol Pump, Highway, Mehsana – 384002, Gujarat India	September 28, 2004	Administrative Convenience
9, Netaji Park Society, B/h Pashabhai Petrol Pump, Highway, Mehsana – 384002, Gujarat, India	402, Fourth Floor, Campus Corner, St. Xaviers College Cross Road, Navrangpura, Ahmedabad – 380009, Gujarat, India	September 01, 2006	Administrative Convenience

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Year	Events
1996	Incorporation of the Company.
2010	Change of name from “Zircar Ceramics Private Limited” to “Zircar Crucibles Private Limited”
2018	Change of name from “Zircar Crucibles Private Limited” to “Zircar Refractories Private Limited”
2018	Conversion to Public Company in the name and style of “Zircar Refractories Limited”

KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

Year	Details
2013	SME Export Promotion Council presented “SME Export Excellence Awards 2013” to our Company in the category of “Manufacturer Exporter”
2017	Received ISO 9001:2015 Certificate for Quality Management System
2018	Contribution to Prime Minister’s National Relief Fund
2019	Contribution to “Bharat Ke Veer” Bravehearts of CAPF under Ministry of Home Affairs, Government of India.

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

To manufacture, buy, sell, import, export, and deal both as wholesales and retailers in carbon, graphite refractories and ceramic products including continuous casting nozzle with tuyere bricks, stopperrod, pouing jet, induction furnace crucible with accessories including slag, trap, burner box, fired and monolithic refractories, glaze tiles and all other kinds of carbon graphite products whatsoever and crucibles, stoppers, anodes, electrodes retrorts of every kind and all other refractories and ceramic products.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN THE LAST TEN YEARS

The following changes have been made to our Memorandum of Association, in the last ten years from the date of filing of this Draft Prospectus:

DATE OF EGM	AMENDMENTS
April 05, 2010	Amendment in Clause I of MOA pursuant change of name of our company to Zircar Crucibles Private Limited from Zircar Ceramics Private Limited.
January 10, 2011	Amendment in Clause V of MOA pursuant to reclassification in authorised share capital from ₹ 1,25,00,000/- consisting of 8,70,000 Equity Shares of ₹ 10/- each and 3,80,000 Cumulative Redeemable preference shares of ₹ 10/- each to ₹ 1,25,00,000/- divided into 12,50,000 Equity Shares of ₹ 10/- each.
October 12, 2018	Amendment in Clause I of MOA pursuant to change of name of our company to Zircar Refractories Private Limited from Zircar Crucibles Private Limited.
October 17, 2018	Amendment to Clause I of MOA to reflect the change in name upon Conversion of our Company from ‘Zircar Refractories Private Limited’ Company to ‘Zircar Refractories Limited’.
December 04, 2018	Amendment in Clause V of MOA pursuant to increase in authorised share capital from ₹ 1,25,00,000/- divided into 12,50,000 Equity Shares of ₹ 10/- each to ₹ 20,00,00,000/- divided into 2,00,00,000 Equity Shares of ₹ 10/- each.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have a holding company as on the date of filing this Draft Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have a Subsidiary company as on the date of filing of this Draft Prospectus.

JOINT VENTURES OF OUR COMPANY

Our Company has not entered into any Joint Venture as on the date of filing of this Draft Prospectus.

REVALUATION OF ASSETS

There has been no revaluation of assets of our company in last 10 years from the date of this Draft Prospectus.

MERGERS AND ACQUISITIONS IN LAST 10 YEARS

Our Company has not merged / amalgamated itself nor has acquired any business / undertaking, in the last 10

(ten) years from the date of this Draft Prospectus.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY

Our Company has not divested any of its business / undertaking in last 10 (ten) years from the date of this Draft Prospectus.

SHAREHOLDER'S AGREEMENTS

A Share Sale and Purchase agreement dated January 06, 2010 was entered between Pramodkumar Chandulal Bhatt & their associates (to be referred as 'sellers') and Hiralal Ramadhar Rai & their associates (to be referred as 'purchasers') for the sell/purchase of 3,10,000 (Three Lakh Ten Thousand) equity shares of face value of ₹ 10/- each at a share sell/purchase price of ₹ 55.139 each.

OTHER MATERIAL AGREEMENTS

There are no material agreements or contracts which have been entered into by our Company prior to the date of this Draft Prospectus which are not in the ordinary course of business.

CAPACITY/ FACILITY CREATION, LOCATION OF PLANTS

For details pertaining to facility creation, location of plants, please see the chapter titled "Our Business" beginning on page 111 of this Draft Prospectus.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

STRATEGIC PARTNERS

As on the date of filing of this Draft Prospectus, our Company does not have any strategic partner.

FINANCIAL PARTNERS

Apart from the various arrangements with bankers and financial institutions which our Company undertake in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

As on the date of this Draft Prospectus, there have been no defaults or rescheduling of borrowings with any financial institutions / banks.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY IN NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details pertaining to launch of key products, entry in new geographies or exit from existing markets, please see the chapter titled "Our Business" beginning on page 111 of this Draft Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under the Articles of Association of our Company we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors, subject to the applicable provisions of the Companies Act. We currently have 5 (Five) Directors on our Board, including 2 (Two) Executive Directors, 3 (Three) Non-Executive Directors out of which 2 (Two) are Independent Directors. Our Board includes 2 (Two) Women Directors.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Prospectus:

Sr. No.	Name, DIN, Date of Birth, Designation, Address, Occupation, Term, and Nationality	Date of Appointment/ Reappointment as Director	Other Directorships
1.	Name: Hiralal Rai DIN: 00062823 Date of Birth: July 01, 1955 Age: 64 years Designation: Chairman & Managing Director Address: 43, Krishna Society, Jail Road, Mehsana, 384002 Gujarat, India Occupation: Business Term: 5 Years w.e.f. October 24, 2016 Nationality: Indian	Appointed as Director on November 16, 1996 Re-appointed as Managing Director on October 24, 2016 Designated as Chairman on February 05, 2019	Public Limited Company NIL Private Limited Company <ul style="list-style-type: none"> Vedanta Alloys Private Limited
2.	Name: Alok Rai DIN: 02639848 Date of Birth: November 22, 1985 Age: 33 years Designation: Whole Time Director Address: 43, Krishna Society, Jail Road, Mehsana, 384002 Gujarat, India Occupation: Business Term: 5 Years w.e.f. February 05, 2019 Nationality: Indian	Appointed as Director on September 09, 2009 Re-appointed as Whole Time Director on February 09, 2019	Public Limited Company NIL Private Limited Company NIL
3.	Name: Shalini Rai DIN: 07136589 Date of Birth: November 25, 1992 Age: 26 years Designation: Non-Executive Director Address: 43, Krishna Society, Jail Road, Mehsana, 384002 Gujarat, India Occupation: Business Term: Liable to retire by Rotation Nationality: Indian	Appointed as Director on September 30, 2015 Re-appointed as Non-Executive Director on February 09, 2019	Public Limited Company NIL Private Limited Company NIL
4.	Name: Darsha Kikani DIN: 00155791 Date of Birth: September 10, 1957 Age: 62 years Designation: Independent Director	Appointed as Additional Director on January 11, 2019	Public Limited Company <ul style="list-style-type: none"> 20 Microns Nano Minerals Limited Marudhar Industries Limited.

	Address: 10, Sanjay Park, B/H Sunder Van, Near ISRO Satellite Road, Ambawadi Vista R, Ahmedabad 380015 Gujarat, India Occupation: Business Term: 5 Years w.e.f. January 11, 2019 Nationality: Indian	Regularised as Independent Director on February 09, 2019	<ul style="list-style-type: none"> Ice Make Refrigeration Limited Private Limited Company <ul style="list-style-type: none"> Khushali Consultants Private Limited
5.	Name: Bhavesh Parmar DIN: 08323419 Date of Birth: June 14, 1976 Age: 43 years Designation: Independent Director Address: 1403, Sheth Ni Pole, Mandvi Ni Pole, Astodia, Ahmedabad 380001 Gujarat, India Occupation: Business Term: 5 Years w.e.f. January 11, 2019 Nationality: Indian	Appointed as Additional Director on January 11, 2019 Regularised as Independent Director on February 09, 2019	Public Limited Company NIL Private Limited Company NIL

BRIEF PROFILE OF OUR DIRECTORS

Hiralal Rai

Hiralal Rai, aged 64 years is the Promoter, Chairman and Managing Director of our Company. He has been associated with our company since Nov, 16, 1996. He has completed his Bachelors of Technology in Ceramics Engineering from Banaras Hindu University. He holds a Gold Medal in Master's degree in Technology in Ceramic Engineering from Banaras Hindu University. He worked as an External Examiner for Ceramic Engineering in Banaras Hindu University in year 2008 for B. Tech. Pt. III and in year 2010 for UG/IDD Pt. III. He has a vast rich experience of more than 4 decades in the Crucible Industry. He had worked as General Manager (Works) in Diamant Carbon & Graphite Products Limited (DCGP) for about 16 years. He had worked in training assignment with M/s. Becker & Piscantor at Germany for 4 months. He is a lifetime member of The Institute of Metals since 2008. He had also received Certificate of Appreciation as a Gold Category Tax payer from Central Board of Direct Taxes for AY 2017-18. Currently, he looks after overall activities of the company. Under his leadership, the company is on a continuous growth path.

Alok Rai

Alok Rai, aged 33 years, is the Whole Time Director of our Company. He has been appointed as Whole Time Director of our Company w.e.f. February 05, 2019 for a period of 5 (Five) years. He has completed his Bachelor of Commerce Final Examination from Ch. Charan Singh University, Meerut. He has an experience of 10 years in crucible industry. He is responsible for the day to day operations of our Company.

Shalini Rai

Shalini Rai, aged 26 years, is the Non-Executive Director of our Company. She has been appointed as Non-Executive Director of our Company w.e.f. February 05, 2019. She has completed her Bachelor of Commerce Final Examination from Guru Ghasidas Vishwavidyalaya, Bilaspur. She has an experience of more than 7 years in crucible industry. She is responsible for the budgeting and monitoring expenses of our Company.

Darsha Kikani

Darsha Kikani, aged 62 years, is the Independent Director of our Company. She has been appointed as Independent Director of our Company w.e.f. January 11, 2019. She holds Bachelor's degree in Science from Gujarat University and Master's degree in Business Administration from Gujarat University. She is a fellow member of Institute of Company Secretaries of India and an Associate member of Institute of Chartered Secretaries and Administrators, London. She had worked as Assistant Vice President for more than 1.5 years in Reliance Infrastructure Limited.

Bhavesh Parmar

Bhavesh Parmar, aged 43 years, is the Independent Director of our Company. He has been appointed as Independent Director of our Company w.e.f. January 11, 2019. He had completed his Bachelor of Commerce from Gujarat University and also completed his Intermediate examination from Institute of Chartered Accountant of India.

CONFIRMATIONS

As on the date of this Draft Prospectus:

1. None of the Directors of our Company are related to each other within the meaning of Section 2(77) of the Companies Act, 2013 except as mentioned below:

Name of Director	Name of other Director	Relationship
Hiralal Rai	Alok Rai	Father-Son
	Shalini Rai	Father in law- Daughter in law

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are fugitive economic offender or are on the RBI List of wilful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares have been / were:
 - a) Suspended from trading by any of the stock exchange(s) during his /her tenure in that company in the last five years or;
 - b) Delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of the Promoters, or Directors has been or is involved as a promoter or director of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on February 09, 2019 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of ₹ 100,000 lakhs.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

Except as disclosed below, none of the Directors were paid any remuneration during the last financial year ended on March 31, 2019:

Name of the Director	Remuneration (₹ in Lakhs)
Hiralal Rai	180.00
Kamla Rai*	4.68
Alok Rai	48.00
Shalini Rai**	5.09

* Kamla Rai has resigned from the post of Director of our Company w.e.f. January 11, 2019.

*** The designation of Shalini Rai has been changed from Executive Director to Non-Executive Director with effect from February 05, 2019.*

Compensation to our Managing Director and Whole Time Director

We have not entered into any service agreement with our Managing Director and Whole Time Director providing for benefits upon termination of their employment.

Terms and conditions of employment of our Managing Director:

Hiralal Rai has been reappointed as Managing Director of our Company for a period of 5 Years w.e.f. October 24, 2016. He will be paid remuneration for a period of 5 (Five) Years as per the terms and conditions mentioned in the agreement dated February 18, 2019, extract of which is given below:

Remuneration	₹ 15,00,000/- per month
Term	5 Years w.e.f. October 24, 2016
Reimbursement of Expenses	Entertainment, travelling and out of pocket expenses
Motor Car	Car along with driver for the business of Company

Terms and conditions of employment of our Whole Time Director:

Alok Rai has been appointed as whole Time Director of our Company for a period of 5 Years w.e.f. February 05, 2019. He will be paid remuneration for a period of 5 (Five) Years as per the terms and conditions mentioned in the agreement dated February 05, 2019, extract of which is given below:

Remuneration	₹ 4,00,000/- per month
Term	5 Years w.e.f. February 05, 2019
Reimbursement of Expenses	Entertainment, travelling and out of pocket expenses

Remuneration for Non-Executive Directors and Independent Directors

Non-Executive and Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

No sitting fees has been paid by our Company to the Non-Executive Directors and Independent Directors for the financial year ended March 31, 2019.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table sets forth the shareholding of our Directors as on the date of this Draft Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Hiralal Rai	58,76,520	52.59	[●]
2.	Alok Rai	16,15,890	14.97	[●]
3.	Shalini Rai	3,42,040	3.17	[●]

INTERESTS OF DIRECTORS

Interest in promotion of our Company

Our Directors, Hiralal Rai, Alok Rai and Shalini Rai may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “*Related Party Transactions*” and “*Promoter and Promoter Group*” beginning on page 174 and 167 of this Draft Prospectus.

Interest in the property of our Company

Except as stated to in the heading titled *“Immovable Properties”* under the chapter titled *“Our Business”* beginning on page 111 and chapter titled *“Related Party Transaction”* on page 174 of the Draft Prospectus, our Directors have not entered into any contract, agreement or arrangements in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property acquired or proposed to be acquired of the Company or by the Company except otherwise disclosed in the heading titled *“Immovable Properties”* under the chapter titled *“Our Business”* beginning on page 111 of the Draft Prospectus.

Interest by way of Remuneration from the Company

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see *“Remuneration/Compensation of Directors”* above. Further, our Independent Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association of our Company. Further, except as disclosed above, none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said equity shares, if any. Except as stated in the chapters *“Our Management”* and *“Related Party Transactions”* beginning on pages 155 and 174 respectively of this Draft Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Interest as member of our Company

As on date of this Draft Prospectus, none of our Directors except Hiralal Rai, Alok Rai and Shalini Rai holds 58,76,520, 16,15,890 and 3,42,040 Equity Shares respectively in our Company i.e. 70.73 % of the pre issue paid up Equity Share capital of our Company. Therefore, they are interested to the extent of his shareholding and the dividend declared, if any, on such holding of Equity Shares by our Company.

Interest as a creditor of our Company

As on the date of this Draft Prospectus, our Company has availed loans from the Directors of our Company. For further details, refer to chapter titled *“Financial Indebtedness”* and section titled *“Related Party Transactions”* beginning on page 190 and 174 of this Draft Prospectus.

Other Indirect Interest

Except as stated in chapter titled *“Restated Financial Information”* beginning on page 173 of this Draft Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the business of our company

Save and except as stated otherwise in *“Related Party Transactions”* in the chapter titled *“Restated Financial Information”* beginning on page 173 of this Draft Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Prospectus.

Except as stated above and under the heading “Restated Financial Information – Annexure 32 – Restated Statement of Related Parties Transactions” on page 173, under the section titled “Financial Information”, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

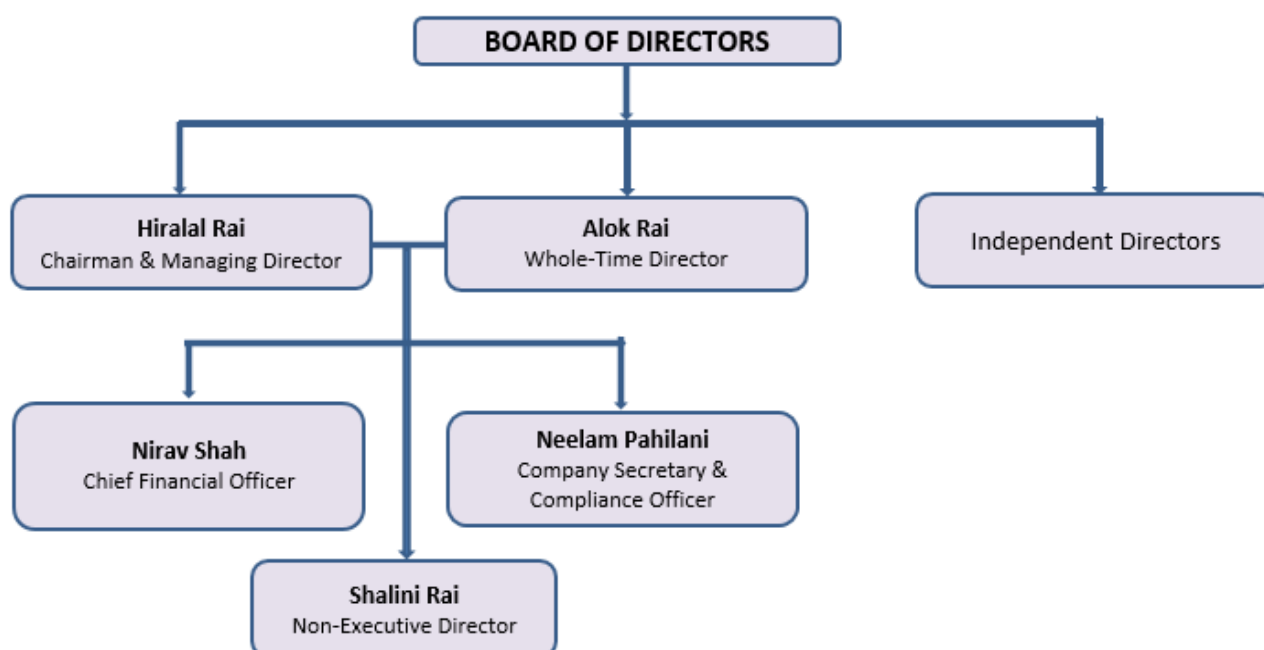
As on date of this Draft Prospectus, we don't have any Subsidiaries and/or Associates Companies.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in Directors of our Company in last three years prior to the date of this Draft Prospectus:

Name of Director	Date of Event	Nature of event	Reason
Hiralal Rai	October 24, 2016	Re-appointment	Re-appointment as Managing Director
Kamla Rai	January 11, 2019	Resignation	Resignation as Director
Darsha Kikani	January 11, 2019	Appointment	Appointment as Additional Independent Director
Bhavesh Parmar	January 11, 2019	Appointment	Appointment as Additional Independent Director
Shalini Rai	February 05, 2019	Change in Designation	Designated as Non-Executive Director
Alok Rai	February 05, 2019	Change in Designation	Designated as Whole Time Director
Darsha Kikani	February 09, 2019	Regularization	Regularised as Independent Director
Bhavesh Parmar	February 09, 2019	Regularization	Regularised as Independent Director

ORGANISATIONAL STRUCTURE



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (Listing Regulations and Disclosure Requirements) 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective Independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

Currently our Board has 5 (Five) directors out of which 2 (Two) are Independent Directors. The constitution of our Board is in compliance with the requirements of Section 149 of the Companies Act, 2013.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the Listing Regulations, the Listing Agreement and the Companies Act, 2013, to the extent applicable.

The following committees have been formed in compliance with the corporate governance norms:

- A) Audit Committee;
- B) Stakeholders Relationship Committee;
- C) Nomination and Remuneration Committee;

A) Audit Committee

Our Company has constituted an audit committee ("Audit Committee"), as per Section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors dated February 18, 2019. The constituted Audit Committee comprises following members:

Name of the Director	Status	Nature of Directorship
Darsha Kikani	Chairman	Independent Director
Bhavesh Parmar	Member	Independent Director
Shalini Rai	Member	Non-Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

A. The Audit Committee shall have following powers/responsibilities:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice, and
4. To secure attendance of outsiders with relevant expertise if it considers necessary

B. The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations statement of significant related party transactions (as defined by the audit committee), submitted by management;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

C. The role of the Audit Committee shall be as follows -

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices along with reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualifications in the draft audit report.
10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

D. Meeting of Audit Committee and relevant Quorum

The Audit Committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be two members. Meeting of the Audit Committee shall be called by at least seven days' notice in advance.

E. Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on February 18, 2019.

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Darsha Kikani	Chairman	Independent Director
Bhavesh Parmar	Member	Independent Director
Shalini Rai	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholder/ Investor Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder / Investor Relationship Committee as approved by the Board.
- B. Meetings & Quorum:** The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for the meeting shall be two members
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
 - i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
 - ii. Redressal of security holders'/investor's complaints;

- iii. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
- iv. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- v. Allotment and listing of shares;
- vi. Reference to statutory and regulatory authorities regarding investor grievances; and
- vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and
- viii. Any other power specifically assigned by the Board of Directors of the Company

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on February 18, 2019.

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Darsha Kikani	Chairman	Independent Director
Bhavesh Parmar	Member	Independent Director
Shalini Rai	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. Meetings & Quorum:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be two members. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven days' notice in advance.
- C. Terms of Reference:**
 - i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
 - i. Formulation of criteria for evaluation of independent directors and the Board;
 - ii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - iii. Devising a policy on Board diversity; and
 - iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its equity shares on EMERGE Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on Stock Exchange.

Neelam Pahilani, Company Secretary & Compliance Officer, will be responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Set forth below are the details of our Key Management Personnel as prescribed under the Companies Act 2013, in addition to Hiralal Rai, our Managing Director, Alok Rai, our Whole Time Director as on the date of filing of this Draft Prospectus. For details of Hiralal Rai & Alok Rai, refer “Brief Profile of our Directors” on page 156 of this Draft Prospectus.

Nirav Shah, Chief Financial Officer

Nirav Shah, aged 31 years is the Chief Financial Officer of the Company. He holds Master’s degree in Commerce. He is an associate member of the Institute of Chartered Accountant of India. He had worked as Senior Audit Manager for more than 2.5 years in M/s. Bhadresh R. Shah & Associates, Chartered Accountant. In the Fiscal year 2019, he has received remuneration of ₹ 6.31 lakhs.

Neelam Pahilani, Company Secretary & Compliance Officer

Neelam Pahilani, aged 30 years is the Company Secretary and Compliance Officer of the Company. She holds Master’s degree in Commerce from Gujarat University. She is an associate member of Institute of Companies Secretaries of India. In the Fiscal year 2019, she has received remuneration of ₹ 0.36 lakhs.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel’s are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013 except as mentioned below. All of the Key Managerial Personnel are permanent employees of our company.

Name of KMP	Name of other KMP	Relationship
Hiralal Rai	Alok Rai	Father-Son

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

None of our Directors of the Company are related to the Key Managerial Personnel within the meaning of Section 2(77) of the Companies Act, 2013 except as mentioned below:

Name of Director/Promoter	Name of KMP	Relationship
Hiralal Rai	Alok Rai	Father-Son
Kamla Rai	Hiralal Rai	Spouse
	Alok Rai	Mother-Son
Shalini Rai	Alok Rai	Spouse
	Hiralal Rai	Daughter in law-Father in law

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS / CUSTOMERS / SUPPLIERS

None of our Key Managerial Personnel have been appointed as Key Managerial Personnel pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

Sr. No.	Name of the Key Managerial Personnel	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Hiralal Rai	58,76,520	52.59	[●]
2.	Alok Rai	16,15,890	14.97	[●]

REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL (KMP)

Except as mentioned below, no other current KMPs have received remuneration during the period ended on March 31, 2019.

Name of the KMPs	Amount (₹ in Lakhs)
Hiralal Rai	180.00
Alok Rai	48.00

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the heading titled “*Related Party Transactions*” under the section titled “*Financial Statements*” beginning on page 173 of this Draft Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The Changes in the Key Managerial Personnel in the last three years from the date this Draft Prospectus are as follows:

Name of KMP	Date of Event	Nature of Event	Reason
Hiralal Rai	October 24, 2016	Reappointment	Reappointment as Managing Director
Nirav Shah	January 11, 2019	Appointment	Appointment as Chief Financial Officer
Neelam Pahilani	January 11, 2019	Appointment	Appointment as Company Secretary & Compliance Officer
Alok Rai	February 05, 2019	Change in Designation	Designated as Whole Time Director

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

ESOS/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOS/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements*” beginning on page 173 of this Draft Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Hiralal Rai and Kamla Rai. As on date of filing of this Draft Prospectus, our Promoters holds 84,62,370 equity shares representing 78.41% of the pre-Issue paid up Share Capital of our Company.

Brief profile of our Promoters is as under:

	<p>Hiralal Rai, Promoter, Chairman & Managing Director</p> <p>Hiralal Rai, aged 64 years is the Promoter, Chairman and Managing Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” on page 155 of this Draft Prospectus.</p> <p>Date of Birth: July 01, 1955 PAN: ABLPR4316C Driving License No: GJ02 19810030877 Aadhaar Card No.: 2688 3518 2233 Address: 43, Krishna Society, Jail Road, Mehsana 384002 Gujarat India</p> <p>Other ventures promoted by him: NIL</p>
	<p>Kamla Rai, Promoter</p> <p>Kamla Rai, aged 67 years is the Promoter of our Company. She has been associated with our Company since March 16, 2010*. She is an under matriculate.</p> <p>For further details, relating to Kamla Rai, including terms of appointment as Director and other directorships please refer to the chapter titled “<i>Our Management</i>” beginning on page 155 this Draft Prospectus.</p> <p>Date of Birth: February 18, 1952 PAN: AFDPR2991B Driving License No: Not Available Aadhaar Card No.: 7244 7982 4369 Address: 43, Krishna Society, Jail Road, Mehsana 384002 Gujarat India</p> <p>Other ventures promoted by her:</p> <ol style="list-style-type: none"> 1. Maade International.

* Kamla Rai has resigned from the post of Director of our Company w.e.f. January 11, 2019.

DECLARATION

Our Company confirms that the Permanent Account Number, Bank Account Number and Passport number of our promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

INTEREST OF PROMOTER(S)

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the equity shares held by them. For details regarding shareholding of our Promoters in our Company, please refer “*Capital Structure*” on page 62 of this Draft Prospectus.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Some of our Promoters are also the Director of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and subject to Articles of Association of our Company. For details please refer to the chapter titled “*Our Management*”, “*Restated Financial Information*” and “*Capital Structure*” beginning on pages 155, 173 and 62 respectively of this Draft Prospectus.

Except as mentioned in the chapter titled “*Our Business*” under “*Land & Property*”, our Promoter(s) do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of three years before filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page no 174 of this Draft Prospectus.

Further, our Promoters has given personal guarantees, respectively, towards financial facilities availed from Bankers of our Company; therefore, are interested to the extent of the said guarantees. Further, no unsecured loans has been availed by the company from promoters as on March 31, 2019. For further details, please refer to the chapter titled “*Financial Indebtedness*” beginning on page 190 of Draft Prospectus.

Further, none of our Promoters have given material guarantees to the third party(ies) with respect to the specified securities of the Company.

PAYMENT OR BENEFITS TO OUR PROMOTERS IN THE LAST TWO YEARS

Except as mentioned above under the heading “Interest of Promoters” and in the sections titled “*Financial Statements, as restated – Annexure 32 – Restated Statement of Related Parties Transactions*” on page 174 of this Draft Prospectus, no amount or benefits were paid / given or were intended to be paid / given to our Promoters during the last two years from the date of filing of this Draft Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

A. Natural Persons who are part of our Promoter Group:

Relationship with Promoter(s)	Hiralal Rai	Kamla Rai
Father	Late Ramadhar Rai	Late Permanand Rai
Mother	Late Girija Ramadhar Rai	Late Balmati Rai
Brother(s)	Manojkumar Rai	1. Bindhyachal Rai 2. Late Jawahar Rai
Sister(s)	1. Lilawati Rai 2. Manju Ray 3. Pratibha Rai	Sitara Rai
Spouse	Kamla Rai	Hiralal Rai

Relationship with Promoter(s)	Hiralal Rai	Kamla Rai
Son	Alok Rai	Alok Rai
Daughter(s)	1. Arpana Rai 2. Archana Rai	1. Arpana Rai 2. Archana Rai
Spouse's Father	Late Permanand Rai	Late Ramadhar Rai
Spouse's Mother	Late Balmati Rai	Late Girija Ramadhar Rai
Spouse's Brother(s)	1. Bindhyachal Rai 2. Late Jawahar Rai	Manojkumar Rai
Spouse's Sister(s)	Sitara Rai	1. Lilawati Rai 2. Manju Ray 3. Pratibha Rai

Our Company has issued letters dated December 05, 2018 to the relatives of our promoters, **Relatives of Hiralal Rai** i.e. Lilawati Rai, Manju Ray, Pratibha Rai and **Relatives of Kamla Rai** Bindhyachal Rai and Sitara Rai, seeking personal documents for identification of promoter group and the details of Entity(ies) in which they severally or jointly have interest. However, we have not received reply from any of the relatives. Therefore, the disclosures made in the Draft Prospectus are limited to the extent of the information that has been made available by our Promoters in relation to Promoter Group and Group companies.

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. Maade International.

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Name of Promoter	Name of Director	Relationship
Hiralal Rai	Kamla Rai	Husband-Wife
	Alok Rai	Father-Son
	Shalini Rai	Father in law-Daughter in law

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any entities/firms during preceding three years.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled "*Outstanding Litigation and Material Developments*" on page 195 of this Draft Prospectus.

CONFIRMATIONS

None of our Promoters have been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters and members of our Promoter Group have not been declared as Wilful Defaulters.

There are no violations of Securities Law committed by our Promoters in past or no proceedings for violation of securities laws are pending against them.

None of the Promoters, Promoter Group entities, directors or Group Companies have been debarred or prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "*Related Party Transactions*" on page 174 of this Draft Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of group companies, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and other companies as per the policy adopted by our Board. In the above mentioned scenario, our Company does not have any Group Company.

RELATED PARTY TRANSACTION

For details on related party transactions please refer to Annexure 32 – Related Party Transactions of Restated Financial Statement under the section titled, “*Financial Statements*” beginning on page 173 of this Draft Prospectus.

DIVIDEND POLICY

Our Company has no formal dividend policy. The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, at their discretion, subject to the provisions of the Article of Association and the Companies Act 2013. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

In addition, our ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restrictions, and restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects. Our Company has declared dividends during the last three Fiscals. For further details, please refer to chapter titled “*Restated Financial Information*” in the section titled “*Financial Information*” beginning on the page 173 of this Draft Prospectus. Our Company may also, from time to time, pay interim dividends.

Details of dividends distributed on the Equity Shares are as follows:-

(₹ in lakhs)

Particulars	Financial Performance			
	For the period post March 31, 2019 to the date of filing of the Draft Prospectus	For Fiscal		
		2019	2018	2017
Face value per share (in ₹)	10	10	10	10
Dividend	Nil	Nil	11.32	11.32
Dividend per share (in ₹)	Nil	Nil	1.00	1.00
Rate of Dividend (%)	Nil	Nil	10.00	10.00
Dividend Tax (%)	Nil	Nil	20.36	20.36

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. For details in relation to the risk involved, see “*Risk Factors*” on page [●].

SECTION VI – FINANCIAL STATEMENTS

FINANCIAL STATEMENT AS RESTATED

Particulars	Page No.
Restated Financial Statements	F1 to F47

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

**To,
The Board of Directors
Zircar Refractories Limited
402, 4th Floor, Campus Corner,
St. Xaviers College Cross Road,
Navrangpura, Ahmedabad – 380009
Gujarat, India**

Dear Sirs,

1. We have examined the attached Restated Financial Information of Zircar Refractories Limited (the “Company” [or the “Issuer”]), comprising the Restated Statement of Assets and Liabilities as at March 31, 2019, 2018 and 2017, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the financial year ended March 31, 2019, 2018 and 2017, the restated Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on September 25, 2019, for the purpose of inclusion in the Draft Prospectus and Prospectus prepared by the company in connection with its proposed Initial Public Offer of equity shares on EMERGE Platform of National Stock Exchange of India Limited (“IPO”) prepared in terms of the requirements of:
 - i Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
 - ii The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - iii The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus and Prospectus to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and Registrar of Companies, Gujarat in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 4A to the Restated Financial Information. The Board of Directors of the Company’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from the audited Financial Statements as at March 31, 2019, 2018, and 2017, prepared in accordance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the act which have been approved by Board of Directors.
 5. For the purpose of our examination, we have relied on:
 - a) Auditors' reports issued by us dated September 07, 2019 on the financial statements of the Company as at and for the financial year ended March 31, 2019 as referred in Paragraph [4] above; and
 - b) Auditors' Report issued by the Previous Auditors dated September 1, 2018, June 28, 2017 on the financial statements of the Company as at and for the financial year ended March 31, 2018 and 2017 respectively, as referred in Paragraph [4] above.
 6. The audits for the financial year ended March 31, 2018 and 2017 were conducted by the Company's previous auditors, G.G. Patel & Co., (the "Previous Auditors"), and accordingly reliance has been placed on them. The audit reports on the financial statements issued by Previous Auditors were not modified as at and for the financial year ended March 31, 2018 and 2017. We have re-audited the special purpose financial information of the Company for the financial year ended March 31, 2018 prepared by the Company in accordance with the applicable accounting standards for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO.
 7. Based on our examination and according to the information and explanations given to us
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2019, 2018 and 2017 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended December 31, 2018; and
 - b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
 8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended March 31, 2019, 2018, and 2017 proposed to be included in the Draft Prospectus and Prospectus ("Offer Document") for the proposed IPO.

Annexure to Restated Financial Statements of the Company

Restated Standalone Summary Statement of Assets and Liabilities	Annexure – 1
Restated Standalone Summary Statement of Profit and Loss	Annexure – 2
Restated Standalone Summary Statement of Cash flows	Annexure – 3
Significant Accounting Policies and Notes to the Restated Standalone Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows	Annexure - 4-A
Reconciliation of Restated Profit	Annexure -4-B

Reconciliation of Restated Equity/Net Worth	Annexure - 4-C
Restated Standalone Statement of Share Capital	Annexure - 5
Restated Standalone Statement of Reserves and Surplus	Annexure - 6
Restated Standalone Statement of Long Terms Borrowings	Annexure - 7
Restated Standalone Statement of Deferred Tax	Annexure - 8
Restated Standalone Statement of Other Long-Term Liabilities	Annexure - 9
Restated Standalone Statement of Long-Term Provisions	Annexure - 10
Restated Standalone Statement of Short-Term Borrowings	Annexure - 11
Restated Standalone Statement of Trade Payables	Annexure - 12
Restated Standalone Statement of Other Current Liabilities	Annexure - 13
Restated Standalone Statement of Short-Term Provisions	Annexure - 14
Restated Standalone Statement of Property, Plant and Equipment and Intangible Assets and Depreciation and Amortisation expenses	Annexure - 15
Restated Standalone Statement of Long-Term Loans and Advances	Annexure - 16
Restated Standalone Statement of Inventories	Annexure - 17
Restated Standalone Statement of Trade Receivables	Annexure - 18
Restated Standalone Statement of Cash and Cash Equivalents	Annexure - 19
Restated Standalone Statement of Short-Term Loans and Advances	Annexure - 20
Restated Standalone Statement of Revenue from Operations	Annexure - 21
Restated Standalone Statement of Other Income	Annexure - 22
Restated Standalone Statement of Cost of Materials Consumed	Annexure - 23
Restated Standalone Statement of Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	Annexure - 24
Restated Standalone Statement of Employee Benefits Expenses	Annexure - 25
Restated Standalone Statement of Finance Costs	Annexure - 26
Restated Standalone Statement of Other Expenses	Annexure - 27
Standalone Statement of Contingent Liabilities	Annexure - 28
Summary Statement of Capitalisation	Annexure - 29
Summary Statement of Accounting Ratios	Annexure - 30
Standalone Statement of Dividends paid	Annexure - 31
Standalone Statement of Related Party Transactions	Annexure - 32
Restated Statement of Tax Shelter	Annexure - 33

9. We, Patel & Jesalpura, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statement mentioned in paragraph [4] above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for the purpose set forth in the first paragraph of this report. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For, M/s. Patel & Jesalpura
Chartered Accountants
Firm's Registration Number: 120802W

Sd/-

CA Ashok P. Patel
Partner
Membership Number: 040482

Place: Ahmedabad
Date: September 25, 2019

ZIRCAR REFRACTORIES LIMITED**Annexure-1****Restated Standalone Summary Statement of Assets and Liabilities**

(Amount in Lakhs)

	Particulars	Note	As at		
			31-Mar-19	31-Mar-18	31-Mar-17
I	<u>EQUITY AND LIABILITIES</u>				
(1)	Shareholders' Funds				
	(a) Share Capital	Annexure-5	1,079.23	113.20	113.20
	(b) Reserves and Surplus	Annexure-6	1,927.39	1,526.68	1,255.17
(2)	Non Current Liabilities				
	(a) Long Term Borrowings	Annexure-7	1,346.06	1,880.86	1,449.19
	(b) Deferred Tax Liabilities (Net)	Annexure-8	292.42	209.36	176.43
	(c) Other Long Term Liabilities	Annexure-9	14.50	14.50	14.50
	(d) Long term provisions	Annexure-10	37.28	30.18	24.49
(3)	Current Liabilities				
	(a) Short Term Borrowings	Annexure-11	1,003.82	642.14	641.84
	(b) Trade Payables	Annexure-12			
	- Due to micro and small enterprises		-	-	-
	- Due to others		748.15	754.71	543.35
	(c) Other Current Liabilities	Annexure-13	585.27	455.69	210.89
	(d) Short Term Provisions	Annexure-14	46.29	70.09	33.10
	Total		7,080.40	5,697.41	4,462.16
II	<u>ASSETS</u>				
(1)	Non Current Assets				
	(a) Property, Plant and Equipment	Annexure-15			
	(i) Tangible Assets		3,485.56	2,845.24	1,740.04
	(ii) Intangible Assets		13.06	13.39	16.78
	(iii) Capital work-in-progress		19.26	432.66	361.68
	(iv) Intangible assets under Development		-	-	-
	(b) Long Term Loans and Advances	Annexure-16	105.68	52.58	19.29
(2)	Current Assets				
	(a) Inventories	Annexure-17	1,701.63	1,328.49	972.06
	(b) Trade Receivables	Annexure-18	968.67	726.16	666.81
	(c) Cash and Cash Equivalents	Annexure-19	557.64	50.50	26.13
	(d) Short Term Loans and Advances	Annexure-20	228.91	248.40	659.36
	Total		7,080.40	5,697.41	4,462.16

For, Patel & Jesalpura
Chartered Accountants
Firm Reg. No. 120802W

For, Zircar Refractories Limited

CA Ashok Patel
Partner
M. No. 040482

Chairman & Managing Director
Mr. Hiralal Ramadhar Rai
DIN - 00062823

Whole Time Director
Mr. Alok Hiralal Rai
DIN - 02639848

Place: Ahmedabad
Date: September 25, 2019

Chief Financial Officer
Mr. Nirav Shah

Company Secretary & Compliance Officer
Ms. Neelam Pahilani

ZIRCAR REFRACTORIES LIMITED**Annexure-2****Restated Standalone Summary Statement of Profit and Loss**

(Amount in Lakhs)

Particulars		Note	For the year ended		
			31-Mar-19	31-Mar-18	31-Mar-17
I.	Revenue from Operations	Annexure-21	5,826.44	4,551.01	4,192.54
II.	Other Income	Annexure-22	57.31	51.19	15.41
III.	Total Revenue (I + II)		5,883.75	4,602.21	4,207.95
IV.	Expenses:				
	Cost of Materials Consumed	Annexure-23	2,824.25	2,181.68	1,948.79
	Purchase of Stock in Trade	Annexure-24	103.40	-	-
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(61.00)	(158.85)	(125.50)
	Employee Benefit Expenses	Annexure-25	817.64	759.35	639.19
	Finance Costs	Annexure-26	146.30	115.57	191.96
	Depreciation and Amortization Expense	Annexure-15	202.69	165.96	125.07
	Other Expenses	Annexure-27	1,475.06	1,197.80	1,155.35
	Total Expenses (IV)		5,508.34	4,261.52	3,934.85
V.	Profit before Exceptional and extraordinary items and tax (III-IV)		375.40	340.68	273.10
VI.	Exceptional Items		-	-	-
VII.	Profit before Tax (V - VI)		375.40	340.68	273.10
VIII.	Extra Ordinary Items		-	-	-
IX.	Profit before Tax (VII - VIII)		375.40	340.68	273.10
X.	Tax Expense:				
	(1) Current tax		78.00	69.46	61.15
	(2) Deferred Tax		83.06	32.93	26.98
	(3) Mat Credit Entitlement		(45.93)	(33.22)	-
XI.	Restated Net Profit after Tax		260.28	271.52	184.97

For, Patel & Jesalpura
Chartered Accountants
Firm Reg. No. 120802W

For, Zircar Refractories Limited

CA Ashok Patel
Partner
M. No. 040482

Chairman & Managing Director
Mr. Hiralal Ramadhar Rai
DIN - 00062823

Whole Time Director
Mr. Alok Hiralal Rai
DIN - 02639848

Place: Ahmedabad
Date: September 25, 2019

Chief Financial Officer
Mr. Nirav Shah

Company Secretary & Compliance Officer
Ms. Neelam Pahilani

ZIRCAR REFRACTORIES LIMITED
Annexure-3
Restated Standalone Summary Statement of Cashflow

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>CASHFLOW FROM OPERATING ACTIVITIES</u>			
Net Profit before Exceptional and extraordinary item and tax	375.40	340.68	273.10
Adjusted For :			
Interest and Finance Charges	146.30	115.57	191.96
Bad Debts	0.89	-	0.28
Misc. Debit Credit Written Off	-	-	2.25
(Profit) / Loss on Sale of Fixed Assets	-	0.82	-
Interest Income	(6.87)	(1.88)	(3.38)
Depreciation	202.69	165.96	125.07
Unrealised Foreign Exchange Fluctuation Gain	(10.21)	(10.37)	6.61
Operating Cash Flow Before Working Capital Change and Exceptional and Extra Ordinary Items	708.22	610.79	595.89
Adjusted for			
(Increase) / Decrease in Inventories	(373.14)	(356.43)	(100.59)
(Increase) / Decrease in Trade Receivable	(233.19)	(48.98)	(21.67)
(Increase) / Decrease in Short Term Loans and Advances	21.41	412.23	(523.68)
Increase / (Decrease) in Trade Payable	(6.56)	211.36	106.46
Increase / (Decrease) in Other Current Liabilities	(147.66)	104.52	(9.41)
Increase / (Decrease) in Long Term Provision	7.10	5.69	3.86
Increase / (Decrease) in Short Term Provision	7.03	19.76	6.84
Cash Flow from Operating Activities	(16.79)	958.95	57.70
Income Tax paid / Wealth Tax Paid	(110.76)	(39.88)	(50.01)
Mat Credit Entitlement	-	-	-
Net Cash flow from Operating activities	(127.55)	919.07	7.69
<u>CASHFLOW FROM INVESTING ACTIVITIES</u>			
Purchase of Fixed Assets	(842.68)	(1,269.28)	(310.97)
Interest Income	6.87	1.88	3.38
Sale of Fixed Assets	-	0.69	-
Investment in Capital Work in Progress	413.40	(70.97)	(316.82)
Bank balances not considered as cash & Cash Equivalent	(509.85)	(15.06)	15.97
Long Term Loans and Advances	(7.18)	(0.06)	0.59
Net Cash used in Investing activities	(939.44)	(1,352.82)	(607.84)
<u>CASHFLOW FROM FINANCING ACTIVITIES</u>			
Long Term Borrowings	862.53	571.94	727.75
Short Term Borrowing	361.67	0.30	81.25
Other Long term Liabilities	-	-	-
Interest and Finance Charges	(146.30)	(115.57)	(191.96)
Dividend Paid(Including DDT)	(13.62)	(13.62)	(13.62)
Net Cash from/(used) in Financial activities	1,064.28	443.05	603.42
Net Cash Flow from the Operations	(2.71)	9.30	3.28
Opening Cash and Cash Equivalent	27.47	18.17	14.89
Closing Cash and Cash Equivalent	24.76	27.47	18.17

Cash and Cash Equivalent comprises of

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
Cash on Hand	2.63	1.51	0.84
In Current Accounts	22.14	25.96	17.32
	24.76	27.47	18.17

Notes:

- (1) The figures in brackets represent outflows.
- (2) Previous period's figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.
- (3) Cashflow statement has been prepared under the indirect method as set out in Accounting Standard 3.

For, Patel & Jesalpura
Chartered Accountants
Firm Reg. No. 120802W

For, Zircar Refractories Limited

CA Ashok Patel
Partner
M. No. 040482

Chairman & Managing Director
Mr. Hiralal Ramadhar Rai
DIN - 00062823

Whole Time Director
Mr. Alok Hiralal Rai
DIN - 02639848

Place: Ahmedabad
Date: September 25, 2019

Chief Financial Officer
Mr. Nirav Shah

Company Secretary & Compliance Officer
Ms. Neelam Pahilani

Annexure 4-A

Significant Accounting Policies and Notes to the Restated Summary of Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows:

1. Corporate Information:

Zircar Refractories Limited is a company domiciled in India and incorporated under Companies Act, 1956. The company is engaged in the business of manufacturing of crucibles and other refractory items etc. The name of the Company was changed from Zircar Crucibles Private Limited to Zircar Refractories Private Limited w.e.f. 16th October, 2018 and the company was converted from Private limited to Public limited on 31st October, 2018.

2. Basis of Preparation:

The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at March 31, 2019, March 31, 2018 and March 31, 2017 and the Related Restated Standalone Summary Statement of Profits and Losses and Restated Standalone Summary Statement of Cash Flows for the period ended March 31, 2019, March 31, 2018 and March 31, 2017 and other Financial Information (herein collectively referred to as "Restated Standalone Summary Statements") have been derived by the Management from the then Audited Standalone Financial Statements of the Company for the respective corresponding periods approved by the board of directors.

Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (the SEBI Guidelines) issued by SEBI and Guidance note on Reports in Company Prospectuses (Revised) issued by Auditing and Assurance Board of the Institute of Chartered Accountants of India. Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the EMERGE Platform of National Stock Exchange of India Limited in connection with its proposed Initial Public Offering of equity shares. The Company's management has recast the financial statements in the form specified under Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

These statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective year to which they relate.

3.1 Summary of significant accounting policies:

a. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current Events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Tangible and Intangible Assets

All tangible and intangible Assets are stated at cost net of accumulated depreciation and impairment loss if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

c. Depreciation of tangible and intangible assets

Depreciation on Fixed Assets (Property, Plant & Equipments) is provided on Straight Line

Method as per the Useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Type of Assets	Useful lives (in years)
Plant & Machineries	15
Computers	3
Office Equipments	5
Furniture & Fixtures	10
Motor Vehicles	10
Electrical Installations	10

d. Impairment of Tangible and Intangible Assets (AS -28)

The carrying amounts of the Company's tangible and intangible assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of recoverable amount.

e. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings.

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

f. Inventories

The stock of raw materials, Stores and Consumables and packing material is valued at cost. The Work In Progress is valued at estimated cost and finished goods is valued at lower of cost or net realizable value. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate related overheads. Due allowance is estimated and made for defective and obsolete items, wherever necessary based on the past experience of the company.

g. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects excise taxes, sales taxes, value added taxes (VAT) and Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Sale of Services

Revenue from sale of services is recognized as and when the services are performed. Export Incentive is recognized in the year of Export made.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

h. Insurance Claim

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

i. Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

j. Retirement and other employee benefits

Retirement benefit in the form of Provident fund and Employee’s Contribution towards Employees’ State Insurance Corporation (ESIC) is a defined contribution scheme. These contributions are charged to Profit and Loss statement.

Leave encashment is charged to Profit and Loss account in the year in which it is payable based on the accumulated leave credit allowed to be carried forward and outstanding to the employees as on the date of Balance Sheet.

For the year ended March 31, 2018 and March 31, 2017 gratuity obligation was charged based on contribution determined by Group gratuity scheme of LIC. However in the Restated Standalone Summary Statements, charge of gratuity for the respective years have been made based on the actuarial valuation reports to comply with AS-15 Employee benefits.

k. Lease accounting

Operating Lease

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognized as an expense in the statement of profit and loss. Initial direct cost in respect of the lease acquired is expensed out in the year in which such costs are incurred.

l. Foreign currency transaction

Foreign currency transaction and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

Exchange differences

All exchange differences are recognized as income or as expenses in the period in which they arise.

Forward premium in respect of forward exchange contracts, if any is recognized over the life of contract. There is no carry forward of Forward contract as at the end of the year. The company has not entered into any forward exchange contracts intended for trading or speculation purposes

m. Income Tax

Tax expenses comprise current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

n. Deferred Income Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Minimum Alternative Tax (MAT) credit availed/utilized under the provision of the Income Tax Act, 1961 is recognized in the Statement of Profit and Loss. The credit available under the Act, in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

o. Operating cycle

Based on the activities of the company and normal time difference between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its liabilities and assets as current and non –current.

p. Dividend to Equity Shareholders

Final Dividend to Equity Shares is recognized as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

q. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

S. Provisions

A provision is recognized when the company has a present obligation as a result of past event. It is possible that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

t. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but disclosed its existence in the financial statements.

3.2 Segment Reporting

The Company's main activity is manufacturing of crucibles and other refractory items etc. which constitutes a single reportable segment in the context of Accounting Standard – 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

3.3 Information related to MSME

The company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, and hence disclosure, if any, relating to amounts unpaid as at the year end together with the interest paid / payable as required under the said Act has not been given.

3.4 Defined Benefit Plan – Gratuity

The company has a defined benefit gratuity plan. The following table summarises the components of net benefit expense recognized in the restated standalone summary statements of profit and losses and the funded status and amount recognized in the restated standalone summary statements of assets and liabilities for the plan.

Particulars	For the year ended March 31,		
	2019	2018	2017
Change in the Present Value of Projected Benefit Obligation			
Present Value of Benefit Obligation at the Beginning of the Period	51.76	39.10	33.25
Interest Cost	4.05	2.85	2.66
Current Service Cost	8.29	5.86	5.09
Past Service Cost	-	3.90	-
(Benefit Paid Directly by the Employer)	(7.66)	(2.15)	(1.39)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	0.25	(2.99)	2.71
Actuarial (Gains)/Losses on Obligations - Due to Experience	2.59	5.20	(3.23)
Present Value of Benefit Obligation at the End of the Period	59.28	51.76	39.10
Table Showing Change in the Fair Value of Plan Assets			
Fair Value of Plan Assets at the Beginning of the Period	47.95	46.94	40.25

Expected Return on Plan Assets	3.75	3.42	3.22
Contributions by the Employer	-	-	5.00
(Benefit Paid by the Employer)	(7.66)	(2.15)	(1.39)
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(0.97)	(0.26)	(0.14)
Fair Value of Plan Assets at the End of the Period	43.07	47.95	46.94
Expenses Recognized in the Statement of Profit or Loss for Current Period			
Current Service Cost	8.29	5.86	5.09
Past Service Cost - Vested Benefit	-	3.90	-
Net Interest Cost	0.30	(0.57)	(0.56)
Actuarial (Gains)/Losses	3.80	2.48	(0.38)
Expenses Recognized in the Statement of Profit or Loss	12.39	11.66	4.15
Balance Sheet Reconciliation			
Opening Net Liability	3.82	(7.84)	(6.99)
Expense Recognized in Statement of Profit or Loss	12.39	11.66	4.15
(Benefit Paid Directly by the Employer)	-	-	-
(Employer's Contribution)	-	-	(5.00)
Net Liability/(Asset) Recognized in the Balance Sheet	16.21	3.82	(7.84)
Assumptions (Closing Period)			
Expected Return on Plan Assets	7.79%	7.83%	7.29%
Rate of Discounting	7.79%	7.83%	7.29%
Rate of Salary Increase	6.50%	6.50%	6.50%
Rate of Employee Turnover	3.50%	3.50%	3.50%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

ZIRCAR REFRACTORIES LIMITED**Annexure 4-B****Reconciliation of Restated Profits**

(Amount in Lakhs)

Sr. No.	Particulars	For the year ended		
		31-Mar-19	31-Mar-18	31-Mar-17
A	Net profit as per audited financial statements	251.45	252.95	209.10
B	Adjustments to audited financial statement			
	(i) (Increase)/decrease in expenses			
	Depreciation ¹	(2.36)	(6.71)	3.15
	Adjustment for provision for gratuity ²	3.82	(11.66)	0.85
C	Total adjustments	1.46	(18.37)	4.00
D	Restated profit/ (loss) before tax adjustments (A+C)	252.91	234.58	213.10
E	Tax impact of adjustments ³	(7.37)	(36.94)	28.13
F	Restated profit/ (loss) after tax (D+E)	260.28	271.52	184.97

Explanatory Notes**1) Adjustment on account of provision for Depreciation**

The Company has made adjustments in depreciation provision on account of arithmetical errors.

2) Adjustment on account of provision for Gratuity

The company had charged gratuity based on contribution determined by Group gratuity scheme of LIC. However in the Restated Standalone Summary Statements, charge of gratuity for the respective years have been restated based on the actuarial valuation reports to comply with AS-15 Employee benefits.

3) Adjustment on account of Provision of Deferred Tax:

Due to changes in Provision for Gratuity and Depreciation etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year.

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure 4-C****Reconciliation of Restated Equity/Net Worth**

The summary of the material adjustments made to audited Summary Statements of the respective years and their impact on the restated equity have been given as under:

(Amount in Lakhs)

Sr. No.	Particulars	For the year ended		
		31-Mar-19	31-Mar-18	31-Mar-17
A	Equity / Net worth as per Audited Balance Sheet	3,006.62	1,648.72	1,395.77
B	Adjustments to audited financial statement			
	Differences pertaining to changes in Profit / Loss due to restated effect for the period covered in Restated Financial	-	18.57	(24.13)
	Prior Period Adjustments (Refer note 1)	-	-	-
	Change in Opening balance of Reserve due to Restatement	-	(27.40)	(3.27)
	Equity / Net worth as Restated	3,006.62	1,639.89	1,368.37

Explanatory notes to the above restatements made in the audited Summary Statements of the Company for the respective years.

Adjustments having impact on Profit**Note 1:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

Adjustments

Appropriate adjustments have been made in the restated Summary Statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-5****Restated Standalone Statement of Share Capital**

(In Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>SHARE CAPITAL</u>			
<u>AUTHORISED CAPITAL</u>			
2016-17 to 2017-18			
12,50,000 Equity shares of Rs.10/- each	-	125.00	125.00
2018-19			
2,00,00,000 Equity shares of Rs. 10/ each	2,000.00	-	-
TOTAL	2,000.00	125.00	125.00
<u>ISSUED, SUBSCRIBED AND PAID UP</u>			
2016-17 to 2017-18			
11,32,000 Equity shares of Rs.10/- each	-	113.20	113.20
2018-19			
1,07,92,300 Equity shares of Rs. 10/ each	1,079.23	-	-
Total	1,079.23	113.20	113.20

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(In Lakhs)

Particulars	2018-19	2017-18	2016-17
Equity shares of Rs.10/- each, fully paid-up:			
(A) No of shares			
At the beginning of the year	11.32	11.32	11.32
Add: Bonus Shares issued during the period	56.60	-	-
Add: Unsecured loans converted into shares	40.00	-	-
At the end of the year/period	107.92	11.32	11.32
(B) Amount of Paid up capital (Rs.)			
At the beginning of the year	113.20	113.20	113.20
Add: Bonus Shares issued during the period	566.00	-	-
Add: Unsecured loans converted into shares	400.03	-	-
At the end of the year/period	1,079.23	113.20	113.20

b) Terms and Rights attached to shares

The Company has only one class of equity share having a par value of Rs.10/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. However, as on date no such preferential amount exists. The distribution will be in proportion to number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

(In Lakhs or as otherwise stated)

Name of the Shareholders	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
Mr. H. L. Rai			
No. of Equity Shares of Rs. 10 each	58.77	5.19	5.19
% of holding	54.45%	45.82%	45.82%
Mrs. Kamla Rai			
No. of Equity Shares of Rs. 10 each	25.86	4.15	4.15
% of holding	23.96%	36.65%	36.65%
Mr. Alok H. Rai			
No. of Equity Shares of Rs. 10 each	16.16	0.91	0.91
% of holding	14.97%	7.99%	7.99%

d) Number of shares issued as bonus shares during the year/period

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
No. of equity shares issued as bonus shares	56.60	-	-

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-6****Restated Standalone Statement of Reserves and Surplus**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>RESERVES AND SURPLUS</u>			
(A) SECURITIES PREMIUM ACCOUNT			
As per Last Balance Sheet	103.00	103.00	103.00
Addition during the period	720.05	-	-
Deduction during the period	103.00	-	-
(Utilised for the issue of Bonus Shares in the ratio of 5:1)			
	720.05	103.00	103.00
(B) PROFIT AND LOSS ACCOUNT			
Balance as per last year	1,423.68	1,152.17	980.82
Depreciation Adjustment prior to 31-03-2015	-	-	-
Addition during the year / period	260.28	271.52	184.97
	-	-	-
	1,683.96	1,423.68	1,165.79
Appropriation for Final Dividend	11.32	-	11.32
Tax on Dividend Equity Share	2.30	-	2.30
Deduction during the period	463.00	-	-
(Utilised for the issue of Bonus Shares in the ratio of 5:1)			
	1,207.34	1,423.68	1,152.17
Total	1,927.39	1,526.68	1,255.17

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

Annexure-7

Restated Standalone Statement of Long Terms Loans

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
Loans from Banks (Secured)			
- Term Loans	947.89	785.21	469.70
- Vehicle loans	33.28	40.25	-
Other loans (Unsecured)			
- Unsecured Loans from Bank	231.63	-	-
- Unsecured Loans from Finance Companies	133.26	-	-
- Loans from directors	-	1,055.39	979.49
Total	1,346.06	1,880.86	1,449.19

Note:

Principal Terms and Conditions of Long Term Borrowings as at 31-March-2019

(Amount in Lakhs)

Name of Lender	Nature of facility	Amount Rs. outstanding as at 31-Mar-19	Rate of Interest % (p.a)	Repayment terms	Prepayment Charges	Security
HDFC Bank Limited	Term Loan - I	186.85	9.50%	60 Consecutive monthly installments.	Nil Foreclosure Charges post 2 years of Term Loan	Primary security: Hypothecation by way of first and exclusive charge on all present and future Plant, Machinery and Stock, Book Debts and also against Collateral Security of Industrial Land at Survey No. 306, 246; Residential Bunglow at 43, Krishna Society; Office at 402, Campus Corner, Ahmedabad; Office at 18, Vasai Mumbai and Personal guarantee of all directors.
HDFC Bank Limited	Term Loan - II	335.54	9.50%	60 Consecutive monthly installments.	Nil Foreclosure Charges post 2 years of Term Loan	
HDFC Bank Limited	Term Loan - III	425.50	9.50%	60 Consecutive monthly installments.	Nil Foreclosure Charges post 2 years of Term Loan	
HDFC Bank Limited	Vehicle Loan	33.28			No prepayment charges	Loan is secured exclusively against vehicle financed
Axis Bank	Pesonal Loan	34.55	16.00%	Loan to be repaid in 36 monthly EMI of Rs. 1,75,785/-	NIL	Unsecured Business Loans & Personal Loans
ICICI Bank	Pesonal Loan	21.79	16.50%	Loan to be repaid in 24 monthly EMI of Rs. 1,98,234/-	NIL	
IDFC First Bank	Business Loan	32.99	16.00%	Loan to be repaid in 30 monthly EMI of Rs. 2,07,377/-	NIL	
Indus Ind Bank	Business Loan	36.00	16.50%	Loan to be repaid in 36 monthly EMI of Rs. 1,77,022/-	NIL	
Kotak Mahindra Bank	Business Loan	35.96	16.50%	Loan to be repaid in 36 monthly EMI of Rs. 1,76,670/-	NIL	
RBL Bank	Business Loan	36.00	16.50%	Loan to be repaid in 36 monthly EMI of Rs. 1,77,022/-	NIL	Unsecured Business Loan
Yes Bank	Business Loan	34.34	16.00%	Loan to be repaid in 36 monthly EMI of Rs. 1,75,785/-	NIL	
Bajaj Finserve	Business Loan	28.91	17.50%	Loan to be repaid in 36 monthly EMI of Rs. 1,43,609/-	NIL	
Magma Fincorp	Business Loan	35.83	16.00%	Loan to be repaid in 36 monthly EMI of Rs. 1,75,434/-	NIL	
Shri Ram City Union Finance	Business Loan	32.52	16.50%	Loan to be repaid in 36 monthly EMI of Rs. 1,77,518/-	NIL	
Tata Capital	Business Loan	36.00	16.70%	Loan to be repaid in 36 monthly EMI of Rs. 1,77,518/-	NIL	
Total		1,346.06				

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-8****Restated Standalone Statement of Deferred Tax**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>Deferred Tax Liability</u>			
Property, Plant and Equipment: Difference between tax depreciation and depreciation charged for financial reporting	1,104.59	793.86	556.41
Deferred Tax Liability/(Asset) (A)	307.30	218.73	183.97
Disallowance u/s 43 B	75.29	33.99	24.49
Allowances claimed u/s 43B	(21.81)	-	(1.71)
Total	53.48	33.99	22.78
Deferred Tax Liability/(Asset) (B)	(14.88)	(9.37)	(7.53)
Net Deferred Tax Liability (A+B) (C)	292.42	209.36	176.43

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-9****Restated Standalone Statement of Other Long Term Liabilities**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>OTHER LONG TERM LIABILITIES</u>			
Security Deposits From Dealers	14.50	14.50	14.50
Total	14.50	14.50	14.50

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-10****Restated Standalone Statement of Long Term Provisions**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>LONG TERM PROVISIONS</u>			
Provision for Employee Benefits (Leave Encashment)	37.28	30.18	24.49
Total	37.28	30.18	24.49

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-11****Restated Standalone Statement of Short Term Borrowings**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>SHORT TERM BORROWINGS</u>			
Working capital loans	870.46	533.22	641.84
HDFC Bank - Buyers Credit	133.36	108.92	-
Total	1,003.82	642.14	641.84

Note:

Principal Terms and Conditions of working capital loans as at 31-Mar-19:

(Amount in Lakhs except interest data)

Name of Lender	Nature of facility	Amount o/s as at 31-Mar-19	Rate of Interest % (p.a)	Repayment terms	Prepayment Charges	Security
HDFC Bank	Working capital loan	870.46	9.50% (MCLR + 1.10%)	Repayable on demand subject to periodic renewal	NA	Primary security: Hypothecation by way of first and exclusive charge on all present and future Plant, Machinery and Stock, Book Debts and also against Collateral Security of Industrial Land at Survey No. 306, 246; Residential Bungalow at 43, Krishna Society; Office at 402, Campus Corner, Ahmedabad; Office at 18, Vasai Mumbai and Personal guarantee of all directors.
HDFC Bank	Buyers Credit	133.36	At a rate mutually agreed from time to time between bank and company	Repayable on demand	NA	Primary security: Hypothecation by way of first and exclusive charge on all present and future Plant, Machinery and Stock, Book Debts and also against Collateral Security of Industrial Land at Survey No. 306, 246; Residential Bungalow at 43, Krishna Society; Office at 402, Campus Corner, Ahmedabad; Office at 18, Vasai Mumbai and Personal guarantee of all directors.
Total		1,003.82				

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-12****Restated Standalone Statement of Trade Payables**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>TRADE PAYABLES</u>			
-Due to micro and small enterprises*	-	-	-
-Due to others	748.15	754.71	543.35
Total	748.15	754.71	543.35

* The Company has no dues to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, and has been determined to the extent such parties have been identified on the basis of information available with the Company.

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-13****Restated Standalone Statement of Other Current Liabilities**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>OTHER CURRENT LIABILITIES</u>			
Current Maturities of Long Term Debt	531.82	254.57	114.29
Advance Received from Customer	17.29	149.37	41.17
Other payables	10.95	10.17	6.36
Statutory Remittances	25.21	41.58	49.07
Total	585.27	455.69	210.89

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-14****Restated Standalone Statement of Short Term Provisions**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>SHORT TERM PROVISIONS</u>			
Provision for Employee Benefits	21.81	22.91	17.01
Provision for Gratuity	16.21	3.82	(7.84)
Provision for Expenses	8.27	12.52	10.30
Provision for Taxation (Net of advances)	-	30.84	-
Proposed Dividend	-	-	11.32
Provision for Dividend Distribution Tax	-	-	2.30
Total	46.29	70.09	33.10

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED
Annexure-15
Restated Standalone Statement of Property, Plant and Equipments and Intangible Assets for the year ending 31st March 2017

Block of Assets	Gross Block			Balance as at 31st March, 2017	Depreciation			Balance as at 31st March, 2017	Net Balance as at 31st March, 2017
	Balance as at 1st April, 2016	Addition	Deduction		Balance as at 1st April, 2016	Addition	Deduction		
Tangible Assets :-									
Land	6.10	-	-	6.10	-	-	-	-	6.10
Land New Plot -246	78.36	-	-	78.36	-	-	-	-	78.36
Land	84.46	-	-	84.46	-	-	-	-	84.46
Factory Building	408.13	-	-	408.13	84.70	9.89	-	94.60	313.53
Factory Building - Admin Office	142.48	-	-	142.48	6.11	2.23	-	8.33	134.14
Factory Building - New Stores	75.95	-	-	75.95	2.37	1.20	-	3.57	72.38
Factory Building	626.56	-	-	626.56	93.18	13.32	-	106.50	520.06
Office Building - Vasai	33.03	-	-	33.03	3.93	0.50	-	4.43	28.60
Plant & Machinery	994.59	244.02	-	1,238.61	279.09	72.27	-	351.36	887.25
Lab Equipments	7.81	2.77	-	10.58	5.74	0.45	-	6.19	4.38
Dies & Tooling	159.26	51.98	-	211.24	87.62	6.60	-	94.22	117.02
Electrical Installations	48.70	2.94	-	51.63	20.98	4.07	-	25.04	26.59
Furniture & Fixtures	77.00	3.74	-	80.75	27.10	7.96	-	35.06	45.69
Vehicles	28.45	-	-	28.45	21.68	2.64	-	24.31	4.14
Computer, Printer & UPS	43.62	2.27	-	45.89	36.44	2.87	-	39.31	6.59
Fax	0.47	-	-	0.47	0.45	-	-	0.45	0.02
EPBX	0.58	-	-	0.58	0.52	0.03	-	0.55	0.03
Office Equipments	53.14	2.84	-	55.99	30.59	10.19	-	40.78	15.21
Total (A)	2,157.68	310.57	-	2,468.25	607.32	120.90	-	728.21	1,740.04
Intangible Assets :-									
Software	26.10	0.40	-	26.50	5.54	4.17	-	9.72	16.78
Total (B)	26.10	0.40	-	26.50	5.54	4.17	-	9.72	16.78
Total (A + B)	2,183.78	310.97	-	2,494.75	612.86	125.07	-	737.93	1,756.82

Restated Standalone Statement of Property, Plant and Equipments and Intangible Assets for the year ending 31st March 2018

Block of Assets	Gross Block				Depreciation				Net
	Balance as at 1st April, 2017	Addition	Deduction	Balance as at 31st March,2018	Balance as at 1st April, 2017	Addition	Deduction	Balance as at 31st March,2018	Balance as at 31st March,2018
Tangible Assets :-									
Land	6.10	-	-	6.10	-	-	-	-	6.10
Land New Plot -246	78.36	-	-	78.36	-	-	-	-	78.36
Land	84.46	-	-	84.46	-	-	-	-	84.46
Factory Building	408.13	-	-	408.13	94.60	9.89	-	104.49	303.64
Factory Building - Admin Office	142.48	-	-	142.48	8.33	2.23	-	10.56	131.92
Factory Building - New Stores	75.95	-	-	75.95	3.57	1.20	-	4.77	71.18
Factory Building-246/1	-	112.02	-	112.02	-	1.18	-	1.18	110.84
Factory Building	626.56	112.02	-	738.58	106.50	14.50	-	121.01	617.57
Office Building - Vasai	33.03	-	-	33.03	4.43	0.50	-	4.93	28.10
Plant & Machinery	1,238.61	983.85	2.15	2,220.31	351.36	108.25	(0.64)	458.96891	1,761.34
Lab Equipments	10.58	5.72	-	16.30	6.19	0.88	-	7.08	9.22
Dies & Tooling	211.24	71.32	-	282.56	94.22	10.83	-	105.05	177.50820
Electrical Installations	51.63	8.56	-	60.19	25.04	4.41	-	29.45	30.74
Furniture & Fixtures	80.75	20.04	-	100.79	35.06	7.68	-	42.74	58.05
Vehicles	28.45	62.65	-	91.10	24.31	3.68	-	28.00	63.11
Computer, Printer & UPS	45.89	1.20	-	47.09	39.31	3.28	-	42.58	4.51
Fax	0.47	-	-	0.47	0.45	-	-	0.45	0.02
EPBX	0.58	-	-	0.58	0.55	-	-	0.55	0.03
Office Equipments	55.99	3.03	-	59.01	40.78	7.66	-	48.44	10.58
Total (A)	2,468.25	1,268.38	2.15	3,734.48	728.21	161.68	(0.64)	889.25	2,845.24
Intangible Assets :-									
Software	26.50	0.90	-	27.40	9.72	4.29	-	14.01	13.39
Total (B)	26.50	0.90	-	27.40	9.72	4.29	-	14.01	13.39
				-					
Total (A + B)	2,494.75	1,269.28	2.15	3,761.88	737.93	165.96	(0.64)	903.25	2,858.63

Restated Standalone Statement of Property, Plant and Equipments and Intangible Assets for the year ending 31st March, 2019

Block of Assets	Gross Block				Depreciation				Net	
	Balance as at 1st April, 2018	Addition	Deduction	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Addition	Deduction	Balance as at 31st March, 2019	Balance as at 31st March, 2019	
Tangible Assets :-										
Land	6.10	-	-	6.10	-	-	-	-	-	6.10
Land New Plot -246	78.36	-	-	78.36	-	-	-	-	-	78.36
Land	84.46	-	-	84.46	-	-	-	-	-	84.46
Factory Building	408.13	16.88	-	425.01	104.49	9.92	-	114.41	310.60	
Factory Building - Admin Office	142.48	-	-	142.48	10.56	2.23	-	12.79	129.69	
Factory Building - New Stores	75.95	-	-	75.95	4.77	1.20	-	5.97	69.98	
Factory Building-246/1	112.02	32.64	-	144.66	1.18	1.78	-	2.96	141.71	
Factory Building	738.58	49.52	-	788.10	121.01	15.12	-	136.13	651.97	
Office Building - Vasai	33.03	-	-	33.03	4.93	0.50	-	5.44	27.60	
Plant & Machinery	2,220.31	724.45	-	2,944.76	458.97	139.64	-	598.61	2,346.15	
Lab Equipments	16.30	13.13	-	29.43	7.08	2.17	-	9.25	20.18	
Dies & Tooling	282.56	44.24	-	326.80	105.05	14.02	-	119.07	207.73	
Electrical Inst.	60.19	3.55	-	63.74	29.45	4.67	-	34.12	29.62	
Furniture & Fixtures	100.79	0.58	-	101.37	42.74	8.24	-	50.98	50.39	
Vehicles	91.10	-	-	91.10	28.00	6.99	-	34.99	56.12	
Computer, Printer & Ups	47.09	0.86	-	47.95	42.58	1.37	-	43.95	3.99	
Fax	0.47	-	-	0.47	0.45	-	-	0.45	0.02	
EPBX	0.58	-	-	0.58	0.55	-	-	0.55	0.03	
Office Equipments	59.01	2.17	-	61.18	48.44	5.4591	-	53.89	7.29	
Total (A)	3,734.48	838.50	-	4,572.98	889.25	198.18	-	1,087.42	3,485.56	
Intangible Assets :-										
Software	27.40	4.18	-	31.58	14.01	4.52	-	18.52	13.06	
Total (B)	27.40	4.18	-	31.58	14.01	4.52	-	18.52	13.06	
Total (A + B)	3,761.88	842.68	-	4,604.56	903.25	202.69	-	1,105.94	3,498.61	

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-16****Restated Standalone Statement of Long Term Loans And Advances**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>LONG TERM LOANS AND ADVANCES</u>			
(Unsecured, Considered good)			
Security Deposits	26.53	19.36	19.29
Mat Credit Entitlement	79.15	33.22	-
Total	105.68	52.58	19.29

The figures disclosed above are based on the restated summary statement of assets and liabilities of

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-17****Restated Standalone Statement of Inventories**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>INVENTORIES</u> (As taken, valued and certified by the management)			
Raw Materials (At cost)	831.77	573.48	399.45
Work-in-Progress (At estimated cost)	312.67	299.34	250.30
Finished Goods (At lower of cost or net realisable Value)	421.52	373.84	264.04
Stores, Packing materials & Fuel (At cost)	135.67	81.82	58.27
Total	1,701.63	1,328.49	972.06

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-18****Restated Standalone Statement of Trade Receivables**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>TRADE RECEIVABLES</u>			
(Unsecured, Considered good and Other than from related parties)	-	-	-
Outstanding for a period exceeding six months	66.56	73.97	62.08
Others	902.11	652.19	604.74
Total	968.67	726.16	666.81

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-19****Restated Standalone Statement of Cash and Cash Equivalents**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>CASH AND CASH EQUIVALENTS</u>			
Cash on Hand	2.63	1.51	0.84
Balance with banks			
In current accounts	22.14	25.96	17.32
In fixed deposit accounts	532.88	23.02	7.96
Total	557.64	50.50	26.13

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-20****Restated Standalone Statement of Short Term Loans And Advances**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>SHORT TERM LOANS AND ADVANCES</u> (Unsecured, Considered good)			
Advances to Employees	13.28	12.59	0.81
Prepaid expenses	12.20	12.68	14.67
Balance with Government authorities	15.29	157.58	77.38
Advance Payment of Tax (Net of provisions)	1.92	-	(1.26)
Advance to Suppliers	91.17	64.69	565.51
Other Loans and advances	95.06	0.85	2.26
Total	228.91	248.40	659.36

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-21****Restated Standalone Statement of Revenue from Operations**

(Amount in Lakhs)

Particulars	For the year ended		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>REVENUE FROM OPERATIONS</u>			
<u>Sale of Products</u>			
Domestic - Manufacturing	4,569.33	3,411.01	2,855.83
Domestic - Trading	125.78	-	-
	4,695.11	3,411.01	2,855.83
Export	1,084.61	1,095.84	1,292.46
Less: Excise Duty	-	-	-
	5,779.72	4,506.85	4,148.29
Sale of Services	-	-	-
Other Operating Revenue	46.72	44.16	44.25
Total	5,826.44	4,551.01	4,192.54
(A) Sale of Products			
Crucibles and Accessories	5,064.30	4,209.95	3,749.97
Special Refractories	334.65	296.90	398.32
Continuous Casting Refractories	380.77	-	-
	5,779.72	4,506.85	4,148.29
(B) Other Operating Revenue			
Duty Drawback Income	16.40	15.72	21.85
Incentive on Export Sales	28.86	25.73	17.97
Packing charges recovered	1.47	2.72	4.43
	46.72	44.16	44.25
Total	5,826.44	4,551.01	4,192.54

The figures disclosed above are based on the restated summary statement of assets and liabilities

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32

ZIRCAR REFRACTORIES LIMITED**Annexure-22****Restated Standalone Statement of Other Income**

(Amount in Lakhs)

Particulars	For the year ended			Remarks
	31-Mar-19	31-Mar-18	31-Mar-17	
<u>OTHER INCOME</u>				
Interest Income	6.87	1.88	1.93	Recurring and related to business activity
Interest on Income Tax Refund	-	-	1.45	Non-recurring and not related to business activity
Foreign Exchange gain	30.96	25.18	2.31	Recurring and related to business activity
Insurance Claim Refund	5.33	0.74	4.92	Non-recurring and not related to business activity
Profit on Sale of Fixed Assets	-	-	-	Non-recurring and not related to business activity
Rent Income	3.20	4.34	4.80	Recurring and not related to business activity
Subsidy Income	10.95	19.05	-	Non-recurring and related to business activity
Total	57.31	51.19	15.41	

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-23****Restated Standalone Statement of Cost of Materials Consumed****(Amount in Lakhs)**

Particulars	For the year ended		
	31-Mar-19	31-Mar-18	31-Mar-17
Opening Stock	573.48	399.45	430.64
Add: Purchases	3,082.54	2,355.71	1,917.60
	3,656.02	2,755.16	2,348.24
Less: Closing Stock	831.77	573.48	399.45
Cost of Materials Consumed	2,824.25	2,181.68	1,948.79

COST OF MATERIALS CONSUMED

Particulars	2018-19	2017-18	2016-17
Imported	777.19	455.45	423.84
Indigenous	2,047.06	1726.22	1524.96
Total	2,824.25	2,181.68	1,948.79

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-24****Restated Standalone Statement of Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**

(Amount in Lakhs)

Particulars	For the year ended		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>Inventories at the end of the year</u>			
Finished Goods	421.52	373.84	264.04
Work-in-progress	312.67	299.34	250.30
	734.19	673.18	514.34
<u>Inventories at the beginning of the year</u>			
Finished Goods	373.84	264.04	200.89
Work-in-progress	299.34	250.30	187.95
Stock in Trade	-	-	-
	673.18	514.34	388.83
Net Increase / (Decrease)	(61.00)	(158.85)	(125.50)

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-25****Restated Standalone Statement of Employee Benefits Expenses**

(Amount in Lakhs)

Particulars	For the year ended		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>EMPLOYEE BENEFIT EXPENSES</u>			
Salaries and Wages	489.71	431.16	322.69
Directors' Remuneration	237.77	240.00	240.00
Contribution to Provident and Other Funds	62.53	59.50	53.83
Staff Welfare Expenses	15.25	17.03	18.52
Gratuity & Ex. Gratia	12.39	11.66	4.15
Total	817.64	759.35	639.19

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-26****Restated Standalone Statement of Finance Costs**

(Amount in Lakhs)

Particulars	For the year ended		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>FINANCE COSTS</u>			
Interest Expenses	122.92	97.87	168.66
Other Borrowing Costs	23.38	17.70	23.30
Total	146.30	115.57	191.96

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

Restated Standalone Statement of Other Expenses

(Amount in Lakhs)

Particulars	For the year ended		
	31-Mar-19	31-Mar-18	31-Mar-17
<u>OTHER EXPENSES</u>			
Fuel consumption	336.99	244.28	252.37
Packing material consumption	307.04	236.59	207.22
Spares & consumables	54.88	95.58	69.97
Freight and Cartage	128.30	105.17	74.77
Electrical charges	114.52	84.76	77.25
Labour charges	113.25	85.54	126.82
No claim bonus	13.91	23.05	16.75
Quality claim	19.09	11.92	18.75
Repairs and maintenance	64.80	60.81	73.92
Travelling and conveyance	36.26	24.20	26.31
Postage and telephone expenses	4.71	8.95	7.91
Insurance charges	4.55	5.13	6.40
Rent, rates and taxes	54.68	41.86	45.50
Professional and legal expenses	23.28	21.32	20.66
General charges	49.72	46.06	35.64
Export handling charges	26.09	16.21	13.29
Kasar and discount	19.85	23.84	13.65
Sales/business promotion	35.18	23.11	22.67
Security expenses	10.63	9.76	7.60
<u>Auditors' Remuneration</u>			
Audit fees	1.00	0.90	0.55
Other	-	0.10	0.10
Commission	32.59	27.81	36.97
Bad debts	0.89	-	0.28
Donation	2.30	-	-
ROC expenses for increase in authorised capital	20.55		
Loss on sale of fixed assets	-	0.82	-
Total	1,475.06	1,197.80	1,155.35

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-28****Standalone Statement of Contingent Liabilities & Commitments**

(Amount in Lakhs)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
(1) Contingent Liabilities			
Claims against the company not acknowledged as debts in respect of:			
Fringe Benefit Tax	1.18	1.18	1.18
Income Tax ¹	22.39	22.39	29.96
TDS Defaults (As per 26AS)	0.00	0.00	0.00
Others ²	14.20	14.20	14.20
(2) Guarantees (Net of Margin Money)			
Performance Guarantees / Security Guarantees	110.97	96.32	71.52
(3) Commitments (Net of Advance)			
A. Estimated amount of contracts remaining to be executed on capital account and not provided for	34.48	13.58	55.97
Total	183.23	147.68	172.83

¹The Company has not recognised and acknowledged Income tax demand as liability in its books of accounts, since the company has disputed the demand and has filed necessary reply/ appeal before the appropriate authorities. The same are pending for final adjudication.

²Against the Company's claim of poor performance of the machine, the supplier has made counter claim amounting to Rs. 14,20,480. The company, based on legal opinion, believes that the claim of the supplier will not sustain.

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-29****Summary Statement of Capitalisation**

Particulars	Pre Issue As at March 31, 2019	Post Issue (See Note no.1)
Debt(See Note no.2)		
Long Term	1,346.06	[●]
Current Maturities of Long Term Debt	531.82	[●]
Short Term	1,003.82	[●]
Total Debts (A)	2,881.69	[●]
Equity (Shareholders funds)		
Equity Share Capital	1,079.23	[●]
Reserves and Surplus	1,927.39	[●]
Total Equity (B)	3,006.62	[●]
Long term debt/ equity shareholders funds	0.62	[●]
Total debts/ equity shareholders funds	0.96	[●]

Note: 1

The corresponding Post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the finalisation of issue price and hence the same has not been provided in the above statement.

Note: 2

(a) Short Term debts represents debts which are expected to be paid / payable within 12 months and excludes installments of term loans repayable within 12 months.

(b) Long Term Debts represents debts other than Short term debts as defined above but includes installments of term loans repayable within 12 months grouped under other current liabilities.

(c) The figures disclosed above are based on restated statement of Assets and Liabilities of the company as at 31/03/2019.

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

Annexure-30

Summary Statement of Accounting Ratios

(Amount in Lakhs or as otherwise stated)

Particulars	As at		
	31-Mar-19	31-Mar-18	31-Mar-17
Restated Net profit after tax, attributable to equity shareholders	260.28	271.52	184.97
Weighted Number of equity shares at the end of year	77.89	11.32	11.32
Number of Equity shares outstanding at the end of the year	107.92	11.32	11.32
Number of Equity shares outstanding at the end of the year after bonus issue	107.92	67.92	67.92
Weighted average Number of equity shares after bonus issue at the end of the year	77.89	67.92	67.92
Restated Net Worth	3006.62	1639.88	1368.37
Earnings Per Share			
Basic & Diluted	3.34	23.99	16.34
Basic & Diluted (After Bonus Issue)	3.34	4.00	2.72
Return on Net Worth	8.66%	16.56%	13.52%
Net Asset Value Per Share	27.86	144.87	120.88
Net Asset Value Per Share - After Bonus Issue	27.86	24.14	20.15
Nominal Value per Equity Share (Rs.)	10.00	10.00	10.00

(i) Basic and Diluted Earnings per Share

Net Profit after tax, as restated for the year, attributable to equity shareholders / Weighted average number of equity shares outstanding during the year

(ii) Net Assets Value (NAV)

Net worth, as restated, at the end of the year or period / Number of equity shares outstanding at the end of the year or period

(iii) Return on Net worth (%)

Net Profit after tax, as restated, attributable to equity share holders / Net-worth* (excluding revaluation reserve), as restated, at the end of the year

*Net-worth means the aggregate value of the paid-up share capital and securities premium account, after adding surplus in Statement of Profit and Loss

A) The ratios have been computed on the basis of the Restated Summary Financial Statement.

B) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time - weighting factor is the number of days for which the specific shares are outstanding as a portion of the total number of days during the year.

C) Net worth for ratios mentioned represents sum of share capital and reserves and surplus (surplus in the statement of profit and loss).

D) The above statement should be read with the notes to restated summary financial statements of assets and liabilities, profits and liabilities, profits and losses and cash flows.

E) Bonus shares were issued in the ratio of 5:1 on 27.12.2018. Thereby, EPS and Net Asset Value per share provided pre bonus issue and post bonus issue.

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

ZIRCAR REFRACTORIES LIMITED**Annexure-31****Standalone Statement of dividend paid**

Particulars	For the year ended		
	31-Mar-19	31-Mar-18	31-Mar-17
Number of shares (in lakhs)	107.92	11.32	11.32
Face Value (Rs.)	10.00	10.00	10.00
Final Dividend Amount (Rs) (in lakhs)	11.32*	-	11.32
Dividend per share (Rs)	1.00*	-	1.00
Rate of Dividend (%)	10.00%*	0.000%	10.00%

*Final Dividend for the year ended 31-3-18 was declared at the Annual General Meeting held on 30-9-2018 and subsequently paid during the year ended 31-03-2019

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively.

Annexure-32
Standalone Statement of Related Party Transactions

(A) Transactions with related parties:										(Amount in Lakhs)	
Nature of transactions	For the year ended	Salary	Claim	Job Work Charges	Sale of goods/services	Rent Expense	Loans Received	Loans Repaid	Converted to Equity	Rent Income	Interest
H L Rai	2018-19	180.00	-	-	-	2.40	41.70	-	777.45	-	-
	2017-18	180.00	-	-	-	2.90	60.20	8.62	-	-	-
	2016-17	180.00	-	-	-	2.90	25.70	7.24	-	-	72.37
Kamla Rai	2018-19	4.68	-	-	-	2.40	-	-	27.09	-	-
	2017-18	6.00	-	-	-	2.40	-	0.33	-	-	-
	2016-17	6.00	-	-	-	2.40	6.50	0.25	-	-	2.53
Alok Rai	2018-19	48.00	-	-	-	13.20	23.00	-	300.41	-	-
	2017-18	48.00	-	-	-	13.20	28.10	3.26	-	-	-
	2016-17	48.00	-	-	-	13.20	15.70	2.63	-	-	26.30
Shalini Rai	2018-19	5.09	-	-	-	-	-	-	15.13	-	-
	2017-18	6.00	-	-	-	-	-	0.18	-	-	-
	2016-17	6.00	-	-	-	-	3.50	0.14	-	-	1.42
Jawahar Associates	2018-19	-	-	-	-	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-	-	-	-
	2016-17	-	-	54.38	-	-	-	-	-	-	-
Balaji Industrial Corporator	2018-19	-	-	-	-	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-	-	-	-
	2016-17	-	-	-	-	-	-	-	-	-	-
Maade International	2018-19	-	-	-	-	-	-	-	-	-	-
	2017-18	-	0.03	-	49.70	-	-	-	-	1.20	-
	2016-17	-	0.17	-	78.37	-	-	-	-	1.20	-
(B) Closing Balance with related parties:											
Particulars	As At the end of year	Loans & Advances	Rent	Sales	Job Work						
H L Rai	31-Mar-19	-	(0.18)	-	-						
	31-Mar-18	(735.76)	-	-	-						
	31-Mar-17	(684.18)	-	-	-						
Alok Rai	31-Mar-19	-	(0.99)	-	-						
	31-Mar-18	(277.41)	-	-	-						
	31-Mar-17	(252.57)	-	-	-						
Kamla Rai	31-Mar-19	-	(0.18)	-	-						
	31-Mar-18	(27.09)	-	-	-						
	31-Mar-17	(27.42)	-	-	-						
Shalini Rai	31-Mar-19	-	-	-	-						
	31-Mar-18	(15.13)	-	-	-						
	31-Mar-17	(15.32)	-	-	-						
Maade International	31-Mar-19	-	-	-	-						
	31-Mar-18	-	-	-	-						
	31-Mar-17	-	-	26.13	-						
Balaji Industrial Corporation	31-Mar-19	-	-	-	-						
	31-Mar-18	-	-	-	-						
	31-Mar-17	-	-	-	-						
Jawahar Associates	31-Mar-19	-	-	-	1.55						
	31-Mar-18	-	-	-	2.50						
	31-Mar-17	-	-	-	(1.20)						

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated cash flow statement, significant accounting policies and notes to restated summary statements appearing in Annexures 1, 2, 3, 4 and from 5 to 32 respectively

Annexure - 33
Restated Statement of Tax Shelter

Particulars	For the Year ended March 31,2019	For the Year ended March 31,2018	For the Year ended March 31,2017
Restated Profit befor tax as per Books (A)	375.40	340.68	273.10
Tax Rates			
Income Tax Rate (%)	27.82%	27.55%	33.06%
Minimum Alternate Tax Rate (%)	20.59%	20.39%	20.39%
Adjustments :			
Total Income considered seperately (B)	0	0	0
Timing/Permanent Differences (C)			
Permanent Timing Difference			
Effects of Other Allowance/Disallowance	20.55	0	0
Income Tax written off	-	2.67	3.25
Donation	2.30		
Penalty			
Deduction - 80G	(1.65)	(0.08)	-
Temporary Timing Differences			
Book Depreciation	202.69	165.96	125.07
Unpaid Gratuity & Leave Encashment	23.30	5.69	3.86
Claim of leave encashment u/s 43B	-	-	-
Profit(-)/Loss on sale of Assets	-	-	-
Income Tax Depreciation Allowance	(507.32)	(383.39)	(220.34)
Total Timing / Permanent Differences (C)	(260.13)	(209.15)	(88.16)
Net Adjustments D = (B + C)	(260.13)	(209.15)	(88.16)
Taxable Income / (Loss) (A+D+E+F)	115.28	131.54	184.94
Income Tax on Above	32.07	36.24	61.15
VIII. Book Profit			
Profit/(Loss) Before Tax As Restated	375.40	340.68	273.10
Less: Unabsorbed Book Loss	-	-	-
Restated Profit/(Loss) As per Section 115JB	375.40	340.68	273.10
MAT on Book Profit	77.28	69.46	55.68
Tax paid as per normal or MAT	MAT	MAT	Normal
Current Tax Rounded	78.00	69.46	61.15

OTHER FINANCIAL INFORMATION

For details on Other Financial Information please refer to “Annexure 32 - Summary Statement of Accounting Ratios” on page F46 under chapter titled “Restated Financial Information” beginning on Page 173 of this Draft Prospectus.

Also for Capitalisation Statement refer the “Annexure 29 - Summary Statement of Capitalisation” on page F43 under chapter titled “Restated Financial Information” beginning on Page 173 of this Draft Prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the years ended March 31, 2019, 2018 and 2017 including the related notes and reports, included in this Draft Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 25 and 18 respectively, and elsewhere in this Draft Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

OVERVIEW

Our Company was originally incorporated as "Zircar Ceramics Private Limited" at Mehsana, Gujarat as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1996 issued by the Registrar of Companies, Gujarat, Nagar & Dadra Havelli bearing Registration number 04-29048 of 1995-96. In order to reflect the business of the company through the name appropriately, the name of our Company was changed to Zircar Crucibles Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra Ordinary General Meeting held on April 05, 2010 and a fresh Certificate of Incorporation dated April 27, 2010 consequent upon Change of name was issued by Assistant Registrar of Companies Gujarat, Dadra & Nagar Havelli.

Further, the name of our Company was changed to Zircar Refractories Private Limited, pursuant to a Special Resolution passed by the members of our Company in an Extra Ordinary General Meeting held on October 12, 2018 and a fresh Certificate of Incorporation dated October 16, 2018 consequent upon Change of name was issued by Deputy Registrar of Companies Gujarat, Dadra & Nagar Havelli. Subsequently, our Company was converted into Public Limited Company pursuant to a special resolution passed by members in Extra-Ordinary General Meeting of Company held on October 17, 2018 and the name of our company was changed to Zircar Refractories Limited vide a fresh Certificate of Incorporation dated October 31, 2018, issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U26910GJ1996PLC029048.

We are an ISO 9001:2015 certified Company, primarily engaged in the business of manufacturing of Silicon Carbide Crucibles, Clay Graphite Crucibles & its accessories. We also undertake manufacturing of refractory products such as Clay -Graphite Refractory Components, Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) & monolithic etc. Crucibles are used primarily for melting of Non-Ferrous metals like Copper, Brass, Gun Metal, Bronze, Aluminium, Zinc, Gold and Silver etc. Our Company also manufactures refractory products such as Stands, Ingate Sleeves, Stoppers, Stopper Heads, Converter segment and liner which have industry specific use. In order to achieve management's vision of Continuous growth, Company has decided to diversify its product portfolio and has entered a new market namely Continuous Casting Refractories (CCR) and Slide Gate Refractories (SGR) which are technically niche products. It includes products such as Ladle Shroud (LS), Mono Block Stopper (MBS), Sub Entry Nozzle (SEN) etc. We are also engaged in the trading of High Alumina Well Block, Magnesia Spray Mass etc.

With an installed capacity of 4000 MT per annum, our manufacturing facility at Mehsana, Gujarat is well equipped with requisite infrastructure including machineries, other handling equipments to facilitate

manufacturing of silicon carbide crucibles and refractory products smoothly. In addition to the manufacturing unit located at Mehsana, we operate through our well-established Branch offices located at Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune for sale of crucibles.

We manufacture Silicon Carbide Crucibles under the brand name “Platinum” for Indian Market. These Crucibles are tailor made for ferrous and non-ferrous applications. We also manufacture Isostatic Clay Graphite Crucibles with varied specifications.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 25 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Fluctuations in the price of raw materials;
- Competition from existing and new entrants;
- Fluctuation in the prices of Foreign currency exchange rate
- Brand image;
- Economic and Demographic conditions; and
- Changes in laws and regulations that apply to crucibles and refractories industry Industry in domestic and international market.

SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management’s best knowledge of current Events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Tangible and Intangible Assets

All tangible and intangible Assets are stated at cost net of accumulated depreciation and impairment loss if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Depreciation of tangible and intangible assets

Depreciation on Fixed Assets (Property, Plant & Equipments) is provided on Straight Line Method as per the Useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Type of Assets	Useful lives (in years)
Plant & Machineries	15
Computers	3
Office Equipments	5
Furniture & Fixtures	10
Motor Vehicles	10
Electrical Installations	10

Impairment of Tangible and Intangible Assets (AS -28)

The carrying amounts of the Company's tangible and intangible assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of recoverable amount.

Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings.

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Inventories

The stock of raw materials, Stores and Consumables and packing material is valued at cost. The Work In Progress is valued at estimated cost and finished goods is valued at lower of cost or net realizable value. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate related overheads. Due allowance is estimated and made for defective and obsolete items, wherever necessary based on the past experience of the company.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

➤ *Sale of Goods*

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects excise taxes, sales taxes, value added taxes (VAT) and Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

➤ *Sale of Services*

Revenue from sale of services is recognized as and when the services are performed. Export Incentive is recognized in the year of Export made.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Insurance Claim

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Retirement and other employee benefits

Retirement benefit in the form of Provident fund and Employee's Contribution towards Employees' State Insurance Corporation (ESIC) is a defined contribution scheme. These contributions are charged to Profit and Loss statement.

Leave encashment is charged to Profit and Loss account in the year in which it is payable based on the accumulated leave credit allowed to be carried forward and outstanding to the employees as on the date of Balance Sheet.

For the year ended March 31, 2018 and March 31, 2017 gratuity obligation was charged based on contribution determined by Group gratuity scheme of LIC. However in the Restated Standalone Summary Statements, charge of gratuity for the respective years have been made based on the actuarial valuation reports to comply with AS-15 Employee benefits.

Lease accounting

➤ Operating Lease

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognised as an expense in the statement of profit and loss. Initial direct cost in respect of the lease acquired is expensed out in the year in which such costs are incurred.

Foreign currency transaction

➤ Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

➤ Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

➤ Exchange differences

All exchange differences are recognized as income or as expenses in the period in which they arise.

Forward premium in respect of forward exchange contracts, if any is recognized over the life of contract. There is no carry forward of Forward contract as at the end of the year. The company has not entered into any forward exchange contracts intended for trading or speculation purposes

Income Tax

Tax expenses comprise current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Income Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Minimum Alternative Tax (MAT) credit availed/utilized under the provision of the Income Tax Act, 1961 is recognized in the Statement of Profit and Loss. The credit available under the Act, in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Operating cycle

Based on the activities of the company and normal time difference between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its liabilities and assets as current and non –current.

Dividend to Equity Shareholders

Final Dividend to Equity Shares is recognized as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques on hand and short-term investments with an original maturity of three months or less.

Provisions

A provision is recognized when the company has a present obligation as a result of past event. It is possible that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but disclosed its existence in the financial statements.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises of revenue from sale of crucibles & accessories, special refractories and continuous casting refractories. Our revenue from operations also includes other operating income in the nature of duty drawback and export incentives.

Other Income

Our other income mainly includes interest income on fixed deposits, gain on foreign exchange, interest on income tax refund, refund on insurance claim, rent income, subsidy income and other miscellaneous income.

Expenses

Our total expenses excluding taxes comprise of cost of material consumed, purchase of stock in trade, changes in inventories of finished goods, work-in-progress and stock in trade, employee benefit expenses, finance costs, depreciation & amortisation expenses and other expenses.

Cost of material consumed

Our cost of material consumed include purchase of raw materials which majorly include comprised consumption of natural graphite, silicon carbide, coal tar pitch, ferro silicon, graphite flake, clay 608 and silicon metal and borax penta hydroxide and the net increase or decrease in raw material stock at the beginning & end of the period/ year.

Purchase of Stock In Trade

Our expenditure on purchase of stock-in-trade consists of purchase of spray mass and well block for trading sales made during the year.

Changes in inventories of finished goods, work-in-progress and Stock in Trade

Changes in inventories of finished goods, work-in-progress and stock in trade consists of change in our inventories of finished goods, work-in-progress & stock in trade as at the beginning and end of the year/ period.

Employee benefit expenses

Our employee benefit expenses mainly include salaries & wages, directors' remuneration, contribution to provident and other funds, gratuity expense and staff welfare expenses.

Finance costs

Our finance costs mainly include interest on long term & short term secured borrowings, bank charges and other financial charges etc.

Depreciation and amortisation expenses

Our depreciation and amortisation expenses comprise of depreciation on tangible fixed assets and amortisation of intangible assets.

Other expenses

Our other expenses primarily includes auditor's remuneration, bad debts, cartage expenses, commission expense, donation, electrical charges, export handling charges, freight charges, fuel consumption expense, general charges, insurance charges, kasar & discount, labour charges, loss on sale of fixed assets, no claim bonus charges, packing material charges, postage & telephone expenses, professional & legal expenses, quality claim charges, rent, rates & taxes, repairs & maintenance charges, roc expenses, sales promotion expenses, spares & consumables and travelling & conveyance expenses.

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit and loss for the years ended March 31, 2019, 2018 and 2017 the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	₹ in Lakhs	(%)*	₹ in Lakhs	(%)*	₹ in Lakhs	(%)*
Total Revenue:						
Revenue from operations	5826.44	99.03%	4,551.01	98.89%	4,192.54	99.63%
Other income	57.31	0.97%	51.19	1.11%	15.41	0.37%
Total Revenue	5,883.75	100%	4,602.20	100%	4,207.95	100%
Expenses:						
Cost of Material Consumed	2824.25	48.00%	2,181.68	47.41%	1,948.79	46.31%

Purchase of Stock in Trade	103.40	1.76%	-		-	
Changes in Inventory	(61.00)	(1.04%)	(158.85)	(3.45%)	(125.50)	(2.98%)
Employee benefit expenses	817.64	13.90%	759.35	16.50%	639.19	15.19%
Finance costs	146.30	2.49%	115.57	2.51%	191.96	4.56%
Depreciation and amortization expenses	202.69	3.44%	165.96	3.61%	125.07	2.97%
Other expenses	1475.06	25.07%	1,197.80	26.03%	1,155.35	27.46%
Total Expenses	5,508.34	93.62%	4,261.51	92.60%	3,934.86	93.51%
Profit before exceptional, extraordinary items and tax	375.40	6.38%	340.69	7.40%	273.09	6.49%
Extraordinary and Exceptional items	-		-		-	
Profit before tax	375.40	6.38%	340.69	7.40%	273.09	6.49%
Tax expense						
(i) Current tax	78.00	1.33%	69.46	1.51%	61.15	1.45%
(ii) Deferred tax	83.06	1.41%	32.93	0.72%	26.98	0.64%
(iii) Mat Credit	(45.93)	(0.78%)	(33.22)	(0.72%)	-	-
Total Tax Expense	115.13	1.96%	69.17	1.50%	88.13	2.09%
Profit for the year/ period	260.28	4.42%	271.52	5.90%	184.96	4.40%

* (%) column represents percentage of total revenue.

FINANCIAL YEAR 2018-19 COMPARED WITH FINANCIAL YEAR 2017-18

Total Revenue

Our total revenue increased by 27.85% to ₹ 5,883.75 lakhs for the financial year 2018-19 from ₹ 4,602.21 lakhs for the financial year 2017-18 due to the factors described below:

Revenue from operations

Our revenue from operations increased by 28.03% to ₹ 5,826.44 lakhs for the financial year 2018-19 from ₹ 4,551.01 lakhs for the financial year 2017-18. It was primarily on account of domestic and export sales from crucibles and special refractories. The increase was mainly due to increase in sale of crucibles and accessories by 20.29% to ₹ 5,064.30 lakhs in the financial year 2018-19 from ₹ 4,209.95 lakhs for the financial year 2017-18, increase in sale of special refractories by ₹ 37.75 lakhs to ₹ 334.65 lakhs for the financial year 2018-19 from ₹ 296.90 lakhs for the financial year 2017-18. Our Company also started sale of continuous casting refractories in the financial year 2018-19 which generated revenue of ₹ 380.77 lakhs. Our other operating revenue increased by ₹ 2.56 lakhs due to increase in export sales incentives by ₹ 3.13 lakhs and increase in duty drawback income by ₹ 0.68 lakhs which was partially offset by decrease in packing charges recovery by ₹ 1.25 lakhs. The increase in sale of crucibles was on account of increase in market share and better quality products while the sale of special refractories was on account of increase in number of tenders from Indian railways.

Other income: Our other income increased by 11.95% to ₹ 57.31 lakhs for the financial year 2018-19 from ₹ 51.19 lakhs for the financial year 2017-18 mainly due to increase in interest income on fixed deposits by ₹ 4.99 lakhs, increase in gain on foreign exchange by ₹ 5.78 lakhs, increase in insurance claim refund by ₹ 4.60 lakhs which was partially offset by decrease in subsidy income by ₹ 8.10 lakhs and decrease in rent income by ₹ 1.14 lakhs.

Total Expenses

Our total expenses increased by 29.26% to ₹ 5,508.34 lakhs for the financial year 2018-19 from ₹ 4,261.52 lakhs for the financial year 2017-18, due to the factors described below:

Cost of material consumed

Our cost of material consumed increased by 29.45% to ₹ 2,824.25 lakhs for the financial year 2018-19 as compared to ₹ 2181.68 lakhs for the financial year 2017-18 which is in line with increase in sale of products.

Our total cost of raw material as a percentage of our revenue from manufacturing sales was 49.95% for the financial year 2018-19 and 48.41% for the financial year 2017-18.

Purchase of stock in trade

The purchase of stock in trade amounted to ₹ 103.40 lakhs for the financial year 2018-19 which was on account of purchase of spray mass and well block which are a part of continuous casting refractories unit. Company entered into continuous casting refractories from financial year 2018-19 where it started both trading and manufacturing activities for the same.

Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:

The amount of changes in inventories of finished goods, work-in-progress and stock in trade was ₹ (61.00) lakhs for the financial year 2018-19 as against ₹ (158.85) lakhs for the financial year 2017-18.

Employee benefits expenses

Our employee benefit expenses increased by 7.68% to ₹ 817.64 lakhs for the financial year 2018-19 from ₹ 759.35 lakhs for the financial year 2017-18. The increase was mainly on account of increase in salary & wages by ₹ 58.55 lakhs, provision for gratuity & ex-gratia by ₹ 0.73 lakhs and contribution to provident & other funds by ₹ 3.03 lakhs which was partially adjusted by decrease in directors remuneration by ₹ 2.23 and staff welfare expenses by ₹ 1.78 lakhs. Increase in employee benefit expenses was mainly due to increase in number of employees from 192 in financial year 2018-19 to 158 in financial year 2017-18.

Finance costs

Our finance costs increased by 26.59% to ₹ 146.30 lakhs for the financial year 2018-19 from ₹ 115.57 lakhs for the financial year 2017-18. The increase was mainly on account of increase in interest expenses on term loans, vehicle loans and unsecured loans from banks & financial institutions by ₹ 25.05 lakhs and increase in other borrowings costs by ₹ 5.68 lakhs.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 22.13% to ₹ 202.69 lakhs for the financial year 2018-19 from ₹ 165.96 lakhs for the financial year 2017-18. The gross block of fixed assets increased by ₹ 842.68 lakhs during the financial year 2018-19.

Other expenses

Our other expenses increased by 23.15% to ₹ 1,475.06 lakhs for the financial year 2018-19 from ₹ 1,197.80 lakhs for the financial year 2017-18. The increase was on account of increase in fuel consumption by ₹ 92.71 lakhs, packing material consumption by ₹ 70.45 lakhs, freight and cartage charges by ₹ 23.13 lakhs, electrical charges by ₹ 29.75 lakhs, labour charges by ₹ 27.70 lakhs, ROC expenses by ₹ 20.55 lakhs, quality claim by ₹ 7.17 lakhs, repairs and maintenance charges by ₹ 3.99 lakhs, travelling and conveyance expenses by ₹ 12.05 lakhs, rent, rates and taxes by ₹ 12.82 lakhs, professional and legal expenses by ₹ 1.96 lakhs, general charges by ₹ 3.67 lakhs, export handling charges by ₹ 9.88 lakhs, sales, business promotion expenses by ₹ 12.07 lakhs, commission expenses by ₹ 4.78 lakhs, donation expenses by ₹ 2.30 and bad debts expenses by ₹ 0.89 lakhs etc. amongst others. The increase was partially offset by decrease in spares and consumables by ₹ 40.70 lakhs, no claim bonus by ₹ 9.14 lakhs, postage and telephone expenses by ₹ 4.25 lakhs and kasar & discount expenses by ₹ 3.98 lakhs etc. amongst others. Increase in fuel consumption was on account of commencement of production of continuous casting refractories which require more fuel for production in the financial year 2018-19.

Profit before tax

Our profit before tax increased by 10.19% to ₹ 375.40 lakhs for the financial year 2018-19 from ₹ 340.68 lakhs for the financial year 2017-18. Increase in profit was on account of increase in overall business operations of the company.

Tax expenses

Our tax expense for the financial year 2018-19 amounted to ₹ 115.13 lakhs as against expense of ₹ 69.17 lakhs for the financial year 2017-18. The increase was on account of increase in deferred tax liability

by ₹ 50.13 lakhs and increase in current tax expenses by ₹ 8.54 lakhs which was partially set off by increase in availment of MAT credit by ₹ 12.71 lakhs.

Profit after tax

Due to reasons mentioned above, our profit after tax decreased by 4.14% to ₹ 260.28 lakhs for the financial year 2018-19 from ₹ 271.52 lakhs for the financial year 2017-18.

FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17

Total Revenue

Our total revenue increased by 9.37% to ₹ 4,602.20 lakhs for the financial year 2017-18 from ₹ 4,207.95 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations

Our revenue from operations increased by 8.55% to ₹ 4,551.01 lakhs for the financial year 2017-18 from ₹ 4,192.54 lakhs for the financial year 2016-17. It was primarily on account of domestic and export sale of crucibles and special refractories. The increase was mainly due to increase in sale of crucibles and accessories by 12.27% to ₹ 4,209.95 lakhs in the financial year 2017-18 from ₹ 3,749.97 lakhs for the financial year 2016-17. However there was a decrease in sale of special refractories by ₹ 101.42 lakhs to ₹ 296.90 lakhs for the financial year 2017-18 from ₹ 398.32 lakhs for the financial year 2016-17. Our other operating revenue decreased by ₹ 0.09 lakhs which was on account of increase in export sales incentives by ₹ 7.76 lakhs which was partially offset by decrease in duty drawback income by ₹ 6.14 lakhs and packing charges recovered by ₹ 1.71 lakhs. The increase in sale of crucibles was on account of increase in market share and better quality products while decrease in the sale of special refractories was on account of decrease in number of tenders from Indian railways.

Other income: Our other income increased by 232.10% to ₹ 51.19 lakhs for the financial year 2017-18 from ₹ 15.41 lakhs for the financial year 2016-17 mainly due to increase in gain on foreign exchange by ₹ 22.87 lakhs and interest subsidy income by ₹ 19.05 lakhs which was partially offset by decrease in refund on insurance claim by ₹ 4.18 lakhs, decrease in interest on income tax refund by ₹ 1.45 lakhs decrease in interest income by ₹ 0.05 lakhs and decrease in rent income by ₹ 0.46 lakhs. Increase in foreign exchange gain was on account of increase dollar to rupee exchange rate and its subsequent effect on our exports.

Total Expenses

Our total expenses increased by 8.30% to ₹ 4,261.51 lakhs for the financial year 2017-18 from ₹ 3,934.86 lakhs for the financial year 2016-17, due to the factors described below:

Cost of material consumed

Our cost of material consumed increased by 11.95% to ₹ 2181.68 lakhs for the financial year 2017-18 as compared to ₹ 1,948.79 lakhs for the financial year 2016-17 which is in line with increase in sale of products. Our total cost of raw material as a percentage of our revenue from manufacturing was 48.41% for the financial year 2017-18 and 46.98% for the financial year 2016-17.

Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:

The amount of changes in inventories of finished goods, work-in-progress and stock in trade was ₹ (158.85) lakhs for the financial year 2017-18 as against ₹ (125.50) lakhs for the financial year 2016-17.

Employee benefits expenses

Our employee benefit expenses increased by 18.80% to ₹ 759.35 lakhs for the financial year 2017-18 from ₹ 639.19 lakhs for the financial year 2016-17. The increase was mainly on account of increase in salary & wages by ₹ 108.47 lakhs, provision for gratuity & ex- gratia by ₹ 7.51 lakhs and contribution to provident & other funds by ₹ 5.67 lakhs. The increase was partially offset by decrease in staff welfare expenses by ₹ 1.49 lakhs. Increase in employee benefit expenses was mainly due to increase in number of employees from 105 in financial year 2016-17 to 158 in financial year 2017-18.

Finance costs

Our finance costs decreased by 39.79% to ₹ 115.57 lakhs for the financial year 2017-18 from ₹ 191.96 lakhs for the financial year 2016-17. The decrease was mainly due to decrease in interest expenses on term loans and unsecured loans by ₹ 70.79 lakhs and other borrowing costs by ₹ 5.60 lakhs.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 32.70% to ₹ 165.96 lakhs for the financial year 2017-18 from ₹ 125.07 lakhs for the financial year 2016-17. The gross block of fixed assets increased by ₹ 1,269.28 lakhs during the financial year 2017-18.

Other expenses

Our other expenses increased by 3.67% to ₹ 1,197.80 lakhs for the financial year 2017-18 from ₹ 1,155.35 lakhs for the financial year 2016-17. The increase was on account of increase in freight and cartage charges by ₹ 30.40 lakhs, packing material consumption expenses by ₹ 29.37 lakhs, spares & consumables by ₹ 25.62 lakhs, general charges by ₹ 10.42 lakhs, kasar & discount by ₹ 10.18 lakhs, electrical charges by ₹ 7.52 lakhs, no claim bonus charges by ₹ 6.30 lakhs, export handling charges by ₹ 2.92 lakhs, security expenses by ₹ 2.16 lakhs, postage & telephone expenses by ₹ 1.04 lakhs, loss on sale of fixed assets by ₹ 0.82 lakhs and professional & legal charges by ₹ 0.66 lakhs etc. amongst others. The increase was partially offset by decrease in labour charges by ₹ 41.27 lakhs, repairs & maintenance expenses by ₹ 13.11 lakhs, commission expenses by ₹ 9.16 lakhs, fuel consumption expense by ₹ 8.09 lakhs, quality claim charges by ₹ 6.83 lakhs, rent, rates & taxes by ₹ 3.64 lakhs, travelling & conveyance expenses by ₹ 2.11 lakhs and insurance charges by ₹ 1.27 lakhs etc. amongst others. Increase in freight charges was on account of increase in overall production of the company.

Profit before tax

Our profit before tax increased by 24.75% to ₹ 340.68 lakhs for the financial year 2017-18 from ₹ 273.10 lakhs for the financial year 2016-17.

Tax expenses

Our tax expense for the financial year 2017-18 amounted to ₹ 69.17 lakhs as against expense of ₹ 88.13 lakhs for the financial year 2016-17. The decrease was on account of availment of MAT credit of ₹ 33.22 lakhs which was partially set off by increase in current tax expenses by ₹ 8.31 lakhs and deferred tax expenses by ₹ 5.95 lakhs.

Profit after tax

Due to reasons mentioned above, our profit after tax increased by 46.80% to ₹ 271.52 lakhs for the financial year 2017-18 from ₹ 184.96 lakhs for the financial year 2016-17.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2019, 2018 and 2017:

Particulars	For the year ended March 31,		
	2019	2018	2017
Fixed Asset Turnover Ratio	1.67	1.59	2.39
Debt Equity Ratio	0.96	1.69	1.61
Current Ratio	1.45	1.22	1.63
Inventory Turnover ratio	3.85	3.96	4.55

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets including intangible assets but excluding capital work-in-progress based on Restated Financial Statements.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long term debt, based on Restated Financial Statements. Total shareholder funds is sum of equity share capital and reserve and surplus based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Standalone Financial Information.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years March 31, 2019, 2018 and 2017:

Particulars	For the year ended March 31,		
	2019	2018	2017
Net cash (used in)/ generated from operating activities	(127.55)	919.07	7.69
Net cash (used in)/ generated from investing activities	(939.44)	(1,352.82)	(607.84)
Net cash (used in)/ generated from financing activities	1,064.28	443.05	603.42
Net increase/ (decrease) in cash and cash equivalents	(2.71)	9.30	3.28
Cash and Cash Equivalents at the beginning of the period	27.47	18.17	14.89
Cash and Cash Equivalents at the end of the period	24.76	27.47	18.17

Operating Activities

Financial year 2018-19

Our net cash used in operating activities was ₹ 127.55 lakhs for the financial year 2018-19. Our operating profit before working capital changes was ₹ 708.22 lakhs for the financial year 2018-19 which was primarily adjusted by payment of income tax of ₹ 110.76 lakhs, increase in trade receivables by ₹ 233.19 lakhs, increase in inventories by ₹ 373.14 lakhs, increase in long term provisions by ₹ 7.10 lakhs, increase in short term provisions by ₹ 7.03 lakhs, decrease in short term loan & advances by ₹ 24.41 lakhs, decrease in trade payables by ₹ 6.56 lakhs and decrease in other current liabilities by ₹ 147.66 lakhs.

Financial year 2017-18

Our net cash generated from operating activities was ₹ 919.07 lakhs for the financial year 2017-18. Our operating profit before working capital changes was ₹ 610.79 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of ₹ 39.88 lakhs, increase in inventories by ₹ 356.43 lakhs, decrease in short term loans & advances by ₹ 412.23 lakhs, increase in trade receivable by ₹ 48.98 lakhs, increase in trade payables by ₹ 211.36 lakhs, increase in other current liabilities by ₹ 104.52 lakhs, increase in long term provisions by ₹ 5.69 lakhs and increase in short term provisions by ₹ 19.76 lakhs.

Financial year 2016-17

Our net cash generated from operating activities was ₹ 7.69 lakhs for the financial year 2016-17. Our operating profit before working capital changes was ₹ 595.89 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of ₹ 50.01 lakhs, increase in inventories by ₹ 100.59 lakhs, increase in trade receivables by ₹ 21.67 lakhs, increase in short term loans & advances by ₹ 523.68 lakhs, increase in trade payables by ₹ 106.46 lakhs, decrease in other current liabilities by ₹ 9.41 lakhs, increase in long term provisions by ₹ 3.86 lakhs and increase in short term provisions by ₹ 6.84 lakhs.

Investing Activities

Financial year 2018-19

Net cash used in investing activities was ₹ 939.44 lakhs for the financial year 2018-19. This was primarily on account of purchase of fixed assets amounting to ₹ 842.68 lakhs, increase in investment in bank deposits by ₹ 509.85 lakhs and increase in long term loan & advances by ₹ 7.18 lakhs. The increase was partially offset by decrease in investment in capital work in progress of ₹ 413.40 lakhs and receipt of interest of ₹ 6.87 lakh.

Financial year 2017-18

Net cash used in investing activities was ₹ 1,352.82 lakhs for the financial year 2017-18. This was primarily on account of purchase of fixed assets amounting to ₹ 1,269.28 lakhs, purchase of capital work in progress of ₹ 70.97 lakhs, maturity of bank deposits of ₹ 15.06 lakhs and increase in long term loan & advances by ₹ 0.06 lakhs which was partially offset by receipt of interest of ₹ 1.88 lakh and sale of fixed assets by ₹ 0.69 lakhs.

Financial year 2016-17

Net cash used in investing activities was ₹ 607.84 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets amounting to ₹ 310.97 lakhs, purchase of capital work in progress of ₹ 316.82 lakhs which was partially offset by receipt of interest of ₹ 3.38 lakh, bank deposits of ₹ 15.97 lakhs and decrease in long term loan & advances by ₹ 0.59 lakhs

Financing Activities

Financial year 2018-19

Net cash generated from financing activities for the financial year 2018-19 was ₹ 1,064.28 lakhs. This was primarily on account of increase in long term borrowings by ₹ 862.53 lakhs and increase in short term borrowings by ₹ 361.67 lakhs which was partially adjusted by payment of interest & finance charges by ₹ 146.30 lakhs, and payment of dividend & dividend distribution tax of ₹ 13.62 lakhs.

Financial year 2017-18

Net cash generated from financing activities for the financial year 2017-18 was ₹ 443.05 lakhs. This was primarily on account of increase in long term borrowings by ₹ 571.94 lakhs, increase in short term borrowings by ₹ 0.30 lakhs which was partially adjusted by payment of interest & finance charges by ₹ 115.57 lakhs, and payment of dividend & dividend distribution tax of ₹ 13.62 lakhs.

Financial year 2016-17

Net cash generated from financing activities for the financial year 2016-17 was ₹ 603.42 lakhs. This was primarily on account of increase in long term borrowings by ₹ 727.75 lakhs, increase in short term borrowings by ₹ 81.25 lakhs which was partially adjusted by payment of interest & finance charges by ₹ 191.96 lakhs and payment of dividend & dividend distribution tax of ₹ 13.62 lakhs.

Financial Indebtedness

As on March 31, 2019 the total outstanding borrowings of our Company was ₹ 2,881.70 lakhs which included long-term borrowings of ₹ 1,346.06 lakhs, short term borrowings of ₹ 1,003.82 lakhs and current maturities of long term borrowings of ₹ 531.82 lakhs. For further details, refer chapter titled “Financial Indebtedness” beginning on page 190 of this Draft Prospectus.

(₹ In lakhs)

Particulars	As at March 31, 2019
Long Term Borrowings (A)	
<i>Secured Loans</i>	
- From Banks	
1. Term Loans	947.89
2. Vehicle Loans	33.28
<i>Unsecured loans</i>	
-From Banks	231.63
-From Finance Companies	133.26
Sub Total (A)	1,346.06
Short Term Borrowings (B)	
- Working capital loan	870.46
- Buyers credit from HDFC Bank	133.36
Sub Total (B)	1,003.82
Current Maturities of Long Term Borrowings (C)	531.82
Total (A)+(B)+(C)	2,881.70

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration, salary, commission, interest paid, loan taken and Issue of Equity Shares etc. For further details of such related parties under AS-18, refer chapter titled “*Financial Statements*” beginning on page 173 of this draft prospectus.

Contingent Liabilities

The following table sets forth our contingent liabilities as on March 31, 2019 as per restated financial statements:

(₹ in lakhs)	
Particulars	As on March 31, 2019
(1) Contingent Liabilities	
<i>Claims against the company not acknowledged as debts in respect of :</i>	
- Fringe Benefit Tax	1.18
- Income Tax	22.39
- Others	14.20
(2) Guarantees (Net of Margin Money)	
<i>Performance Guarantees / Security Guarantees</i>	110.97
(3) Commitments (Net of Advance)	
<i>Estimated amount of contracts remaining to be executed on capital account and not provided for</i>	34.48
Total	183.22

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 173 of this Draft Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 173 of this Draft Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or Infrequent Events or Transactions

As on date there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual item of income, change of accounting policy and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 25 of this Draft Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled “*Risk Factors*” beginning on page 25 of this Draft Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled “*Risk Factors*” beginning on page 25 of this Draft Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part “*Financial Year 2018-19 compared with financial year 2017-18 and Financial Year 2017-18 Compared With Financial Year 2016-17*” above.

Competitive Conditions

We have competition with Indian and international service providers and our results of operations could be affected by competition in the crucibles and refractories industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “*Risk Factors*” beginning on page 25 of this Draft Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under “*Significant Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 25 of this Draft Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Draft Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company’s customer *vis a vis* the total finished goods sold and the % of contribution of our Company’s supplier *vis a vis* the purchase of raw material for the year ended March 31, 2019 are as follows:

Particulars	Suppliers	Customers
	March 31, 2019	March 31, 2019
Top 5 (%)	60.48	27.90
Top 10 (%)	78.69	40.10

Seasonality of Business

The nature of our business is not seasonal.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings as on March 31, 2019 together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

A. Credit facility of 3575.00 Lakhs from HDFC Bank as per Sanction letter dated October 30, 2018.

Nature of Facility	Limits (₹ in Lakhs)	Charges/ Rate of Interest/Commission	Tenor/ Valid upto	Outstanding as March 31,2019 (₹ in Lakhs)
Term Loan-1	600.00	MCLR+ 1.1%	44 months	332.31
Term Loan-2	600.00	MCLR+ 1.1%	55 months	452.14
Cash Credit	975.00	MCLR+ 1.1%	12 months	870.46
Adhoc Cash Credit	100.00	MCLR+ 1.1%	12 months	
PSR (Sub limit of CC)	(200.00)	Commission as per existing rates	12 months	
Pre Shipment Credit	125.00	8.4% or LIBOR	12 Months	-
Post Shipment Credit (Sub limit of Pre Shipment Credit)	(125.00)	8.4% or LIBOR	12 months	
Letter of Credit (Sub limit of Facility Pre Shipment Credit)	(125.00)	Commission as per existing rates	12 months	
SBLC for BC WC (Sub limit of Facility Pre Shipment Credit)	(125.00)	Interest as per the rates available from IBU Branch from time to time. 1.5% SBLC Commission on Daily Basis	12 months	
TL for Gift City- WC (Sub limit of Facility SBLC for BC)	(125.00)	-	12 months	
Letter of Credit	275.00	Commission as per existing rates	12 months	133.36
Bank Guarantee (Sub Limit of Letter of Credit)	(275.00)	Commission as per existing rates	12 months	
Sub limit for Bank Guarantee – Working Capital (Sub Limit of Letter of Credit)	(275.00)	Interest as per the rates available from IBU Branch from time to time. 1.5% SBLC Commission on Daily Basis	12 months	
Working Capital Facility for Gift City(Sub limit of Facility SBLC for BC)	(275.00)	NA	12 months	
Term Loan-3	700.00	MCLR+ 1.1%	60 months	521.02
Capex LC	(700.00)	Commission of 1.5% on daily basis	12 months	
Derivative PSR	200.00	Commission as per existing rates	-	-
Total Outstanding Amount				2309.29

SECURITY DETAILS:

Primary Security	
First and exclusive charge on all present and future Plant, Machinery, Stocks and Book Debts	
Collateral Security	
1.	Industrial Property - Construction Cost 47889000//Block No 306, Sim Of Village Kukas, Mehsana Shobhasan Road-384003, Gujarat.
2.	Residetnial Bunglow/Plot 43, Jail Road, Nr. Vinay Nagar Society, Nr. G J Patel Hospital, Shree Krushna Co. Op. Housing Society Ltd, Block No 5, Survey No 1791, Adm 381.30 Sq. Mtrs, At Mehasna- 384003, Gujarat.
3.	Revenue Survey No 246, Village Account No 1158, Paiki 1 Of Kukas- 384003 Mehsana, Gujarat.
4.	Commercial Office No 402, Nr. St. Xaviers College Cross Road, 4th Floor. Campus Corner. Navrangpura -364018, Ahmedabad, Gujarat.
5.	Gala No 18, Ground Floor. Survey No 241 Hissa No. 1c. Vasaj East, Mumbai, Maharashtra, Shubh Industrial Estate, Vasai.
Personal Guarantee	
Sr. No.	Name of the Guarantor
a)	Hiralal Rai
b)	Kamla Rai
c)	Alok Rai
d)	Shalini Rai

Key Restrictive Covenants:

1. No dividend to be declared/ no withdrawal in form of salary/ remuneration/ incentive/ commission by the promoters/ directors/ partners/ trustees/ Karta or members/ members in case of any overdues of the Borrower with Bank.
2. None of the directors or other members of the governing body of the Borrower is a director or 'relative' (as defined under the Companies Act 2013) of a director of a banking company.
3. To route all sale proceeds arising out of sale of any assets by the Borrower through the Operative Account in the Bank only and bank accounts in other banks to be closed within 1 month of disbursal / takeover.
4. No interest to be paid on unsecured loans in case of any over dues with the Bank.
5. Unsecured loans will be converted into equity as and when required by the Bank to maintain a positive tangible net worth.
6. The funds will not be utilized for any speculative, illegal and investing in capital market purposes but will be utilized only for working capital requirements.
7. The Borrower is required to maintain adequate insurance on all stock, property and other assets which shall be assigned in favour of the Bank within 30 days from the date of disbursement and the Bank shall be marked as the loss payee. The Bank shall keep the insurance current during the term of the Facility. In the event of noncompliance of the same, the Bank reserves the right to obtain insurance in its own name and has the right to debit the credit facility account Operative Account for the insurance premium.

B. Auto Loan from HDFC Bank on November 07, 2017.

PARTICULARS	
Nature of Facility	Auto loan
Loan Amount	57.27 Lakhs

Amount Outstanding as on March 31, 2019	44.09 Lakhs
Security	Secured by hypothecation of Vehicle under Hire Purchase
Tenor	60 months

UNSECURED BORROWINGS

In addition to the secured borrowings availed by us from banks, we have also availed certain Unsecured loans. Set forth below is a brief summary of Unsecured Loans as on March 31, 2019:

Unsecured Borrowing from Banks

1. Loan from IDFC Bank on March 05, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 51.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 51.00 Lakhs
Tenor	30 months
Rate of Interest	16.00% p.a.
Instalment	EMI of ₹ 2,07,377

2. Loan from Kotak Bank on March 07, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 49.90 Lakhs
Amount Outstanding as on March 31, 2019	₹ 49.90 Lakhs
Tenor	36 months
Rate of Interest	16.50%
Instalment of ₹	1,76,670

3. Loan from RBL Bank on February 21, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 50.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 50.00 Lakhs
Tenor	36 months
Rate of Interest	16.50% p.a.
Instalment	EMI of ₹ 1,77,022

4. Loan from Yes Bank on February 20, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 50.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 48.66 Lakhs
Tenor	36 months
Rate of Interest	16.00% p.a.
Instalment	EMI of ₹ 1,75,785

5. Loan from ICICI Bank on February 26, 2019

PARTICULARS	
Nature of Facility	Personal Loan
Loan Amount	₹ 40.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 40.00 Lakhs
Tenor	24 months
Rate of Interest	16.50% p.a.
Instalment	EMI of ₹ 1,98,234

6. Loan from Axis Bank on February 25, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 50.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 48.84 Lakhs
Tenor	36 months
Rate of Interest	16.00% p.a.
Instalment	EMI of ₹ 1,75,785

7. Loan from IndusInd Bank on March 16, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 50.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 50.00 Lakhs
Tenor	36 months
Rate of Interest	16.50% p.a.
Instalment	EMI of ₹ 1,77,022

Unsecured Borrowing from NBFC's

8. Loan from Magma Fincorp Limited on March 05, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 49.90 Lakhs
Amount Outstanding as on March 31, 2019	₹ 49.90 Lakhs
Tenor	36 months
Rate of Interest	16.00% p.a.
Instalment	EMI of ₹ 1,75,434

9. Loan from Tata Capital Financial Service Limited on February 19, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 50.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 50.00 Lakhs
Tenor	36 months
Rate of Interest	16.70% p.a.
Instalment	EMI of ₹ 1,77,518

10. Loan from Bajaj Finserv on February 27, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 40.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 40.00 Lakhs
Tenor	36 months
Rate of Interest	17.50% p.a.
Instalment	EMI of ₹ 1,43,609

11. Loan from Shriram City Union Finance Limited on March 19, 2019

PARTICULARS	
Nature of Facility	Business Loan
Loan Amount	₹ 50.00 Lakhs
Amount Outstanding as on March 31, 2019	₹ 50.00 Lakhs
Tenor	36 months
Rate of Interest	16.50
Instalment	EMI of ₹ 2,09,197 upto September 2020 and 1,43,581 thereafter

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Director and Promoters (the “**Relevant Parties**”).

For the purpose of (V) above, our Board in its meeting held on September 25, 2019 has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered ‘material’ if:

- (a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹ 2.00 lakhs; or
- (b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on September 25, 2019 determined that outstanding dues to creditors in excess of ₹ 5.00 lakhs as per the restated financial statement for the financial year ended March 31, 2019 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Prospectus.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS and PROMOTERS

<i>(₹ in lakhs)</i>		
Nature of Case	Number of Cases	Outstanding Amount
<i>Company</i>		
Direct Tax	4	43.77*
Indirect Tax	1	1.24
<i>Directors (other than Promoters)</i>		
Direct Tax	Nil	NA
Indirect Tax	Nil	NA
<i>Promoters</i>		
Direct Tax	Nil	NA
Indirect Tax	Nil	NA
<i>Group Company</i>		
Direct Tax	NA	NA
Indirect Tax	NA	NA

Note: The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.

**The amounts indicated above do not include amounts under appeals under Section 143(3) and 246A of the I.T. Act, 1961 levied by the Income Tax Department for various assessment years and the details thereof are:*

- i. As on date of this Draft Prospectus two appeals filed by our Company involving ₹ 42,51,173 (Rupees Forty Two Lakhs Fifty One Thousand One Hundred Seventy Three only) are pending before the Commissioner to Income Tax (Appeals) and the Income Tax Appellate Tribunal Ahmedabad.*

OTHER MATERIAL LITIGATIONS

LITIGATION INVOLVING OUR COMPANY

A. LITIGATIONS AGAINST OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTER:

Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES¹:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

KNACKWELL ENGINEERS AND ANR. V. ZIRCAR CRUCIBLES PVT. LTD.

A Summary Suit numbered 1114 of 2015 dated July 10, 2015 was filed by Knackwell Engineers (hereinafter referred to as "the Plaintiff") against our Company Zircar Crucibles Pvt. Ltd. (hereinafter referred to as "the Defendant") under Order XXXVII of Code of Civil Procedure 1908 before the City Civil Court at Ahmedabad. The Plaintiff submitted that the Defendant approached the Plaintiff to provide it with products like machineries, furnaces etc. for the purpose of Defendant's business. The Plaintiff further submitted that the Defendant failed to make payments to the Plaintiff to the tune of ₹ 24,12,520 for supply of the above products. The Plaintiff also claimed that the Defendant, with an ulterior malafide motive of escaping from the above outstanding amount, had filed a suit for recovery of damages details of which may be traced in the case of "Zircar Crucibles Pvt. Ltd. v. Knackwell Engineers" under the heading "Other matters based on materiality policy of our company" in "Litigations filed by our Company". The matter is currently pending.

B. LITIGATIONS FILED BY OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

ZIRCAR CRUCIBLES PVT. LTD. V. KNACKWELL ENGINEERS

A Special Civil Suit numbered 69 of 2014 was filed by our Company (hereinafter referred to as "the Plaintiff") against Knackwell Engineers (hereinafter referred to as "the Defendant") dated June 26, 2014 under order 7 of Code of Civil Procedure 1908 before the Court of Principal Senior Civil Judge, Senior Division at Mehsana. The Plaintiff filed the suit for the recovery of damages caused by poor quality of supply of product(s) by the Defendant to the tune of ₹ 4,19,53,750. The Plaintiff also filed a separate

¹ The Regulatory or Statutory Authorities for the purpose of this Chapter include but are not limited to SEBI, RBI etc.

application for interim relief for injunction vide exhibit 5 and a separate application for appointment of Court Commissioner to make inventory of the machineries installed at the premises of the Plaintiff. Subsequently, the Defendant filed an application on July 17, 2014 under Order 7 Rule 11 of the Civil Procedure Code, 1908 for rejection of the plaint and also filed a separate application for framing preliminary issues regarding jurisdiction and maintainability of the suit. In an order dated February 26, 2015, the Court dismissed the application of the Defendant. The matter for recovery of damages is currently pending.

ZIRCAR CRUCIBLES PVT. LTD. V. ACECHEMIE INDIA PVT. LTD AND ANR.

A Special Summary Suit numbered 3 of 2016 was filed by our Company (hereinafter referred to as “the Plaintiff”) against Acechemie India Pvt. Ltd. (hereinafter referred to as “the Defendant”) dated September 2, 2016 under Order 37 of the Civil Procedure Code, 1908 before the Court of Principal Senior Civil Judge, Mehsana. The Plaintiff submitted that the Defendant was a purchaser of the Plaintiff’s goods and had defaulted in making payments from the year 2014-15. The Plaintiff also submitted that it had raised invoices, sent notices and made various verbal communications to the Defendant for making the payment of outstanding amount of ₹ 4,39,687, however, the Defendant failed to repay the same. Subsequently in an order dated June 6, 2017, the Court entitled the Plaintiff to recover the abovementioned amount. The Court’s notice to the Defendant for payment of the said amount is currently pending.

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

A. LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTERS:

None of our Directors’ appear on the Wilful Defaulters’ list as per the Reserve Bank of India Circular on Wilful Defaulters’.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATIONS AGAINST OUR PROMOTER/S:

1. CRIMINAL MATTERS:

Nil

2. DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS INCLUDING OUTSTANDING ACTION:

Nil

3. WILFUL DEFAULTERS:

None of our Promoters' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

4. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

5. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR PROMOTER/S:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 175 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of March 31, 2019, our Company had 184 creditors, to whom a total amount of ₹ 748.15 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated September 25, 2019, considered creditors to whom the amount due exceeds ₹ 5.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

Details of outstanding dues owed as at March 31, 2019 to MSMEs and other creditors are set out below.

Creditors	Number of Cases	Amount due (₹ in Lakhs)
MSMEs	NIL	NIL
Other Creditors	26	638.23

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see the website of our Company www.zircarrefractories.com.

Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.zircarrefractories.com, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing of crucibles and other refractory products, we require various approvals and/or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “*Key Industry Regulations and Policies*” on page 141 of this Draft Prospectus.

The Company has its business located at:

Registered Office: 402 Fourth Floor Campus Corner St Xaviers College Cross Road Navrangpura Ahmedabad Gujarat 380009 India

Manufacturing Unit (Unit 1): 306, Mehsana - Vijapur Road, Nr. Shobhashan Char Rasta, Mehsana - 384001, Gujarat, India

Warehouse-cum-Manufacturing Unit (Unit 2): 246/1, Mehsana - Vijapur Road, Nr. Shobhashan Char Rasta, Mehsana - 384001, Gujarat, India

Branch Offices cum Warehouse:

1. **Kolkata:** NH-6, Bombay Road Ruptabrata Gram: Pakuria, Dag.No.1746 Howrah-711114 West Bengal, India
2. **Delhi:** 26/4 & 26/7, Sewadham Road Opp.Nirmal Darbar Ashram, Mandoli - 110093 Delhi, India
3. **Chennai:** No:34, Ground Floor, New Street, S.M. Nagar Post, Solapuram, Chennai-600062, Tamil Nadu, India
4. **Mumbai:** Gala No. 18, Ground floor, Shubh Industrial Estate, Chinchpada, Vasai (East). Dist. Palghar, Vasai-401208, Maharashtra, India
5. **Pune:** Gala No. 7A, Ingawale Patil Estate, Pune Paud Road,Bhugaon, Pune -411042, Maharashtra, India
6. **Pune:** Gala No. 8, Ingawale Patil Estate, Pune Paud Road, Bhugaon, Pune -411042, Maharashtra, India
7. **Hyderabad:** Plot No.209 H.No.49- 103/17/6 Ground Floor, Padmangar Phase-II Qutbullapur, Hyderabad Telangana- 500054, India
8. **Bangalore:** Plot No. 36, Ground Floor, BMTC Depo Road, Near S.G. Convention Hall, Segehalli, Vishwaneedmpost, Magadi Main Road, Bangalore-560091, India
9. **Chhattisgarh:** G-15, Adarsh Nagar, Durg, Tal. & Dist. Durg - 491001, Chhattisgarh, India.

Proposed Manufacturing Unit: Survey No. 235, 1475, 1476, 1479, 1480/2, 1481, 1482, 1484, and 1488 Near Kamalpur Village, Dabhala, Vijapur Road, Mehsana – 382865, Gujarat, India

Staff Quarters: J 601, 602, 604, 701, 702, 703, 704 Himalaya Royal, Mehasana - 384002 Gujarat

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on February 18, 2019, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting/Annual General Meeting held on February 21, 2019 authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated December 18, 2018 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated December 18, 2018 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE03K901017.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated March 13, 1996 was issued by the Registrar of Companies, Gujarat, in the name of “ZIRCAR CERAMICS PRIVATE LIMITED”.
2. Fresh Certificate of Incorporation Consequent upon Name Change from “ZIRCAR CERAMICS PRIVATE LIMITED” to “ZIRCAR CRUCIBLES PRIVATE LIMITED” was issued on April 27, 2010 by the Registrar of Companies, Gujarat.
3. Fresh certificate of Incorporation Consequent upon Name Change from “ZIRCAR CRUCIBLES PRIVATE LIMITED” to “ZIRCAR REFRACTORIES PRIVATE LIMITED” was issued on October 16, 2018 by the Registrar of Companies, Ahmedabad.
4. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on October 31, 2018 by the Registrar of Companies, Ahmedabad in the name of “ZIRCAR REFRACTORIES LIMITED”.
5. The Corporate Identification Number (CIN) of the Company is U26910GJ1996PLC029048.

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1	Certificate of Importer- Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India	0898003768	August 25, 1998	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days

					from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2	Udyog Aadhar Memorandum/ Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	Ministry of Micro, Small and Medium Enterprises, Government of India	GJ01C0057785	Date of commencement: June 17, 1999 Date of filing: May 7, 2017	NA
3	License to work a factory for Unit 1 and Unit 2 (under Factories Act, 1948 and Rules made thereunder)	Deputy Director, Directorate Industrial Safety and Health, Gujarat State	License No.: 30135 Registration No.: 795/23939/1999	Date of renewal: February 11, 2019 Date of original issue: September 20, 1999	December 31, 2019
4	Factory Stuffing Permission Letter	Office of Deputy Commissioner of Customs, Ahmedabad, Gujarat	F. No.: VIII/48-124/FS/ICD/2006	March 16, 2007	This permission letter is valid until a reverse order.

Note: Shops and Establishment Registration Certificates for the branch offices situated at Kolkata, Delhi, Chennai, Mumbai, Pune, Hyderabad, Bangalore and Chhattisgarh (addresses of which are mentioned are not available with the Company since the said premises are rented by the Company and the said registration certificate is in the name of the respective owners of the premises and not in the name of the company.

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAACZ0650L	March 13, 1996	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	AHMZOOI49C	February 23, 2011	Perpetual
3	Goods and Service Tax Identification	Government of Karnataka and Government of India	29AAACZ0650 L1Z2	Date of Validity: June 1, 2018	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Number (GSTIN), Bangalore			Date of issue: December 27, 2018	
4	Goods and Service Tax Identification Number (GSTIN), Chennai	Government of Tamil Nadu and Government of India	33AAACZ0650 L1ZD	Date of Validity: July 1, 2017 Date of Issue: December 24, 2018 Date of Liability: July 1, 2017	NA
5	Goods and Service Tax Identification Number (GSTIN), Delhi	Government of Delhi and Government of India	07AAACZ0650 L1Z8	Date of Validity: July 1, 2017 Date of Issue: December 31, 2018 Date of Liability: July 1, 2017	NA
6	Goods and Service Tax Identification Number (GSTIN), Hyderabad	Government of India	36AAACZ0650 L2Z6	Date of Validity: July 1, 2017 Date of Issue: December 21, 2018 Date of Liability: July 1, 2017	NA
7	Goods and Service Tax Identification Number (GSTIN), Kolkata	Government of India	19AAACZ0650 L1Z3	Date of Validity: July 1, 2017 Date of Issue: January 2, 2019 Date of Liability: July 1, 2017	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
8	Goods and Service Tax Identification Number (GSTIN), Maharashtra	Government of India	27AAACZ0650 L1Z6	Date of Validity: July 1, 2017 Date of Issue: December 27, 2018 Date of Liability: July 1, 2017	NA
9	Goods and Service Tax Identification Number (GSTIN), Mehsana	Government of India	24AAACZ0650 L1ZC	Date of Validity: July 1, 2017 Date of Issue: December 11, 2018 Date of Liability: July 1, 2017	NA
10	Goods and Service Tax Identification Number (GSTIN), Chhattisgarh	Government of India	22AAACZ0650 L1ZG	Date of issue: August 09, 2019 Date of Validity: August 09, 2019	NA
11	Certificate of Registration (under Gujarat Value Added Tax Act, 2003 read with Rule 6 of the Value Added Tax Rules, 2006)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat	24040702346	Date of Issue: February 22, 2017 Date of Effect: July 1, 2002	NA
12	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAACZ0650LS T001	Date of original Issue: March 21, 2005 Date of last Amendment: January 28, 2011	NA
13	Certificate of Registration Central Sales Tax (under Rule 5(1) of	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat	24540702346	December 19, 1996	This certificate is valid until cancelled.

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Central Sales Tax (Registration and Turnover) Rules, 1957)				
14	Central Excise Registration Certificate for operating as a Manufacturer (under Rule 9 of the Central Excise Rules, 2002)	Deputy Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAACZ0650LX M001	Date of Original Issue: October 1, 2002 Date of Last Amendment: January 5, 2017	This certificate is valid until suspended.
15	Central Excise Registration Certificate for operating as a Dealer (under Rule 9 of the Central Excise Rules, 2002)	Assistant Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAACZ0650LX D006	May 19, 2009	This certificate is valid until suspended.
16	Professional Tax Registration Certificate (PTRC) (under section 5(1) of Gujarat State Tax on Professions, Trades, Callings, And Employment Act, 1976)	Profession Tax Officer, Mehsana, Government of Gujarat	040040320018	April 05, 2019	NA
17	Professional Tax Enrolment Certificate (PTEC) (under section 4(4) of Gujarat State Tax on Professions, Trades, Callings, And Employment Act, 1976)	Profession Tax Officer, Mehsana, Government of Gujarat	040040320019	April 05, 2019	NA

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and	Employees Provident Fund Organisation, Ministry of Labour, Government of India	GJ/AHD/ENF/29045/Enf-IV/3258	Date of Issue: February 20, 2019 Date of Effect: October 1, 2001

	Miscellaneous Provisions Act, 1952)			
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ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Consent to Establish the Unit for a product at a particular production capacity issued by State Pollution Control Board under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 for Unit 1	Gujarat Pollution Control Board, Gandhinagar	GPCB/CCA-MH-218/ID:18474/500134	March 28, 2019	February 25, 2026
2	Consent to Operate issued by State Pollution Control Board under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 6(b) of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008 for Unit 1	Gujarat Pollution Control Board, Gandhinagar	AWH-103194	July 27, 2019	August 11, 2029
3	Consent to Establish the Unit for a product at a particular production capacity issued by State Pollution Control Board under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 for Unit 2	Gujarat Pollution Control Board, Gandhinagar	GPCB/CCA-MH-996/ID:36981/995316	February 20, 2019	January 8, 2026
4	Consent to Operate issued by State Pollution Control Board under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation /	Gujarat Pollution Control Board, Mehsana	AWH- 35357	March 28, 2019	June 30, 2022



	Renewal of Authorisation under Rule 3(c) and 5(5) of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008 for Unit 2				
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OTHER BUSINESS RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Registration-cum-membership Certificate	CAPEXIL	CAPEXIL/W/003542	February 12, 2019	March 31, 2020

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

TRADEMARKS

Sr. No.	Trademark	Trademark Type	Class	Applicant	Applicat ion No.	Date of Applicati on	Validity/ Renewal	Registrati on status
1.		Device	1	Zircar Crucibles Pvt Ltd	1197681	Date of Issue: May 9, 2003 Date of Renewal: September 1, 2014	May 9, 2023	Registered
2.	ZIRCAR	WORD	9	Zircar Crucibles Pvt Ltd	3110158	November 28, 2015	November 28, 2025	Registered
3		Device	99	Zircar Refractories Limited	4071120	January 29, 2019	-	Objected

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

Applications for change of name of all of the abovementioned approvals/licenses have been made by the Company and received in the new name of the Company except consent to establish & operate and the

trademarks, viz,  and “ZIRCAR” which are yet to be received.

APPROVALS YET TO APPLY:

1. Company is yet to apply for registration under Contract Labour (Registration and Abolition) Act, 1970;
2. Company is yet to apply for certain approvals for its Proposed Manufacturing Unit viz, license to work a factory under Factories Act 1948, consent to establish & operate issued by Gujarat State Pollution Control Board.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 18, 2019 and by the shareholders of our Company vide a special resolution pursuant to Section 62(1)(c) of the

Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on February 21, 2019 at the Registered Office of our Company.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters and Promoter Group, person in control of our company are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Prospectus.

We confirm that our Company, Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Draft Prospectus.

Further, except as mentioned in the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page [●], there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors are associated with the securities market in any manner, including securities market related business and there is no outstanding action initiated against them by SEBI in the past 5 years.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors have been declared as wilful defaulter(s) by the RBI or any other governmental authority.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 229(2) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than ₹ 1,000 lakhs and upto ₹ 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 50 of this Draft Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. We have filed Draft Prospectus with stock exchange. The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the SEBI in a soft copy.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “*General Information*” beginning on page 50 of this Draft Prospectus.

5. The Post-Issue paid up capital of the Company shall not be more than ₹ 25 Crores. The post Issue capital of our Company is ₹ [●].
6. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding from the date of filing of this Draft Prospectus.
7. Net-worth of the company is positive.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
10. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
11. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.
12. The Company has a website: www.zircarrefractories.com.
13. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, HAS FURNISHED TO SEBI IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, in terms of Section 26 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the draft offer document/offer document or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.zircarrefractories.com would be doing so at his or her own risk.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issues handled by Pantomath Capital Advisors Private Limited, please refer “Annexure A” to this Draft Prospectus and the website of Lead Manager at www.pantomathgroup.com.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Draft Prospectus has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. [●] dated [●] permission to the Issuer to use the Exchange's name in this Draft Offer Document as the stock exchange on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

LISTING

Application will be made to the EMERGE Platform of National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of National Stock Exchange of India Limited has given its in-principle approval for using its name in our Prospectus vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditors, Banker to the Company and (b) Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue, Sponsor Bank and Refund Banker to the Issue, Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Statutory Auditor have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Except as stated below, Our Company has not obtained any expert opinions:

- Report of the Peer Review Auditor on Statement of Tax Benefits.
- Report of the Peer Review Auditor on Restated Financial Statements for the financial years ended March 31, 2019, 2018 and 2017 of our company.

PREVIOUS RIGHTS AND PUBLIC ISSUES

Except as stated in the chapter titled "*Capital Structure*" beginning on page 62 of this Draft Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public issue of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES

Neither our Company nor any of our Group Companies/Subsidiaries/ Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Prospectus.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further, none of our Subsidiaries or Promoter Companies are listed on any stock exchange, so, data regarding promise versus performance is not applicable.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, UPI Id (if applicable), number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee *vide* resolution passed at the Board Meeting held on February 18, 2019. For further details, please refer to the chapter titled “*Our Management*” beginning on page 155 of this Draft Prospectus.

Our Company has appointed Neelam Pahilani as Company Secretary and Compliance Officer and he/she may be contacted at the following address:

Neelam Pahilani

Zircar Refractories Limited

402 Fourth Floor, Campus Corner,

St. Xaviers College Cross Road,

Navrangpura, Ahmedabad

Gujarat 380009 India

Tel: 079-26400538

Fax: 079-26400456

Email: cs@zircarrefractories.com

Website: www.zircarrefractories.com

Corporate Identification Number: U26910GJ1996PLC029048

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of this Draft Prospectus, the Prospectus, the abridged prospectus, Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application since this IPO will not be under Phase I.

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA read with SCRR and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of the Article of Association*” beginning on page 244 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, Articles of Association, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 171 of this Draft Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ [●]/- per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 90 of this Draft Prospectus. At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of the Article of Association*” beginning on page 244 of this Draft Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated December 18, 2018 amongst NSDL, our Company and the Registrar to the Issue;
- Agreement dated December 18, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in

any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTORS

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicants, death of all the applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA. Applicants within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. If the Issue is withdrawn after Designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Application/Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Draft Prospectus with Stock Exchange.

ISSUE PROGRAMME

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]

Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Unblocking of funds from ASBA Accounts	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

The above timetable is indicative and does not constitute any obligation on our Company, and the LM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issue, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Prospectus is Indian Standard Time.

In case of any discrepancy in the data entered in the electronic System vis-à-vis the data contained in the Application Form, for a particular Applicant, the Registrar to the Issue shall ask for rectified data.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Draft Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above ₹ 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than ₹ 1,000 lakhs but below ₹ 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares issued through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 50 of this Draft Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on NSE EMERGE.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

ALLOTMENT OF SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S, QFIs, VSFs OR AIFs REGISTERED WITH SEBI,

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 62 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Article of Association*" beginning on page 244 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue face value capital exceeds ten crore rupees but does not exceed twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 213 and 221 of this Draft Prospectus.

Following is the issue structure:

Initial Public Issue of upto 51,00,000 Equity Shares of face value of ₹ 10/- each fully paid (the ‘Equity Shares’) for cash at a price of ₹ [●] (including a premium of ₹ [●]) aggregating to ₹ [●] Lakhs. The Issue comprises a Net Issue to the public of upto [●] Equity Shares (the “Net Issue”). The Issue and Net Issue will constitute [●]% and [●]% of the post-Issue paid-up Equity Share capital of our Company.

The Issue comprises a reservation of upto [●] Equity Shares of ₹ 10/- each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”).

Particulars	Market Maker Reservation Portion	Non –Institutional Applicants	Retail Individual Applicants
Number of Equity Shares	Upto [●] Equity Shares	Upto [●] Equity Shares	Upto [●] Equity Shares
Percentage of Issue Size available for allocation	[●]% of Issue Size	[●]% of Net Issue Size	[●]% of Net Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Firm allotment	Proportionate	Proportionate
Mode of Application	Through ASBA Process only	Through ASBA Process only	Through ASBA Process only or by using UPI ID for payment
Minimum Application Size	[●] Equity Shares	Such number of Equity shares in multiple of [●] Equity shares that Application size exceeds ₹ 2,00,000	Up to [●] Equity Shares
Maximum Application Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Applicant	[●] Shares so that the Application Amount does not exceed ₹ 2,00,000
Mode of Allotment	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
Trading Lot	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars	Market Maker Reservation Portion	Non –Institutional Applicants	Retail Individual Applicants
	ICDR Regulations		
Terms of payment	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the ASBA Form at the time of submission of the ASBA Form, or in the UPI-linked bank account in the case of Retail Individual Applicant using the UPI Mechanism.		

Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

(a) Minimum fifty per cent to retail individual investors; and

(b) Remaining to:

- i. individual applicants other than retail individual investors; and*
- ii. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

ISSUE PROCEDURE

All Applicants should review the General Information Document, for Investing in Public Issues” prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 notified by SEBI, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019 (“General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The General Information Document shall be made available on the website of the Stock Exchange, the Company and the Lead Manager before opening of the Issue Period. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Issue; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, with respect to applications by Retail investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a

combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and UPI ID (for RII Applicant Application using the UPI mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

PHASED IMPLEMENTATION OF UPI FOR APPLICATIONS BY RETAIL INDIVIDUAL APPLICANTS AS PER THE UPI CIRCULAR

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (collectively the “**UPI Circular**”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- **Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.
- **Phase II:** This phase has become applicable from July 1, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, physical submission of the Application Form by a Retail Individual Applicant through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will compulsorily be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.
- **Phase III:** Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the LM.

APPLICATION FORM

Retail Individual Applicants can submit their Applications by submitting Application Forms, in physical form or in electronic mode, to the SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Copies of the Application Form and the abridged prospectus will be available at the offices of the LM, the Designated Intermediaries at Application Centres, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

ASBA Applicant shall ensure that the Application are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an application in terms of this Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants are required to submit their applications only through any of the following Designated Intermediary:

- an SCSB, with whom the bank account to be blocked, is maintained
- a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Designated Intermediaries"), shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded. Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

In addition to the category of Applicants set forth under “*General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicants should specify that the Application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of ₹ 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

In addition to the category of Applicants set forth above, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.

MAXIMUM AND MINIMUM APPLICATION SIZE

(a) For Retail Individual Applicants:

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2.00 lakhs. In case of

revision of Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2.00 lakhs.

(b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2.00 lakhs and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application. The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2.00 lakhs for being considered for allocation in the Non-Institutional Portion.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATED/AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S / FPI's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity

shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - iv. Any other transaction specified by the Board.
 - c) No transaction on the stock exchange shall be carried forward;
 - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. sale of securities in response to a letter of Issue sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. sale of securities in response to an Issue made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;

- v. divestment of securities in response to an Issue by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any application for, or acquisition of, securities in response to an Issue for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- viii. Any other transaction specified by the Board.

- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
8. No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
 - (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
 - (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.
9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors)

Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

12. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
13. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company*: The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. *The entire group of the investee company*: not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. *The industry sector in which the investee company operates*: not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of

10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ₹ 25 crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY BANKING COMPANIES

In case of Applicants made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Applicant by a banking company without assigning any reason.

Application Form, failing which our Company reserve the right to reject any Application by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would

require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

APPLICATIONS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.

APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be filed with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Designated Intermediary or their authorised agent(s).
5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

6. The Application Form can be submitted either in physical or electronic mode, to the Designated Intermediary. Further Designated Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Designated Intermediary:
 - i) an SCSB, with whom the bank account to be blocked, is maintained
 - ii) a syndicate member (or sub-syndicate member), if any
 - iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
 - iv) a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
 - v) a registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The Issue Period shall be for a minimum of three Working Days and shall not exceed ten Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days.

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Designated Intermediary. Submission of a second Application Form to either the same or to another Designated Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

2. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.
3. The upload of the details in the electronic system of stock exchange and post that blocking of funds will be done by as given below

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	<p>After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable the Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

- Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
- If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
- The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

- Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
- The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of ₹ [●] /- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied The Registrar to the Issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Banker to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for Applicants

The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors applying in this Issue shall mandatorily make use of ASBA facility.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediary will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
3. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds.
4. Neither the Lead Manager nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Designated Intermediary, (ii) the applications uploaded by any Designated Intermediary or (iii) the applications accepted but not uploaded by the Designated Intermediary.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediary shall enter the following information pertaining to the Applicants into the on-line system:
 - Name of the Applicant;

- IPO Name;
 - Application Form number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - UPI ID (in case of Retail Institutional Investor)
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Bank account number.
7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
 8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
 9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
 10. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediary shall have no right to reject applications, except on technical grounds.
 11. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
 12. The Designated Intermediary will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, UPI ID, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the four parameters, namely DP ID, UPI ID, Client ID and PAN, then such applications are liable to be rejected.
 13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein upto [●] Equity Shares shall be reserved for Market Maker and upto [●] Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non-Retail Applicants.

2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible OFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated [●].
- b) A copy of the Prospectus will be registered with the RoC in terms of Section 26 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation at the place where the Registered Office of the Company is situated. In the pre-Issue advertisement, we shall state the Applicant Opening Date and the Applicant Closing Date and the floor price or price band along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Application Centres;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the
- Application Form;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. Ensure that the category and the investor status is indicated;

- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID(as applicable in Retail Institutional Investors) in the Application Form;
- Ensure that you have requested for and receive an acknowledgement;
- All applicants should submit their applications through the ASBA process only.
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not submit more than one Application Forms per ASBA Account.
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediary. Application Forms, which do not bear the stamp of the Designated Intermediary, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker

Centre is available on the websites of NSE i.e. www.nseindia.com With a view to broadbase the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE i.e. www.nseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediary.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 4 (four) and 6 (Six) days respectively of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

GROUND OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depository);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Applications made using a third party bank account or using third party UPI ID linked bank account;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;

- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date, unless the extended time is permitted by NSE.
- Details of ASBA Account not provided in the Application form.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth working day from issue closure date;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and;
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed

till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchange where listing is sought has been received.
6. The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated December 18, 2018 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated December 18, 2018 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no. INE03K901017.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present, our company is in the business of manufacturing of crucibles and other refractory products. These activities are covered under the head of “Manufacturing” (Article 5.2.5.1) of the FDI Policy 2017 which permits 100% of foreign direct investment through automatic route. Therefore, applicable foreign investment up to 100% is permitted in our company under the automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained, and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence to the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps,

conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in the transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in ‘manufacturing’ sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF ZIRCAR REFRACTORIES LIMITED

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors” means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) “Capital” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) “The Company” shall mean Zircar Refractories Limited.	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written

Sr. No	Particulars	
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	

Sr. No	Particulars	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	Increase of capital by the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non-Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the	Provisions to apply on issue of Redeemable Preference Shares

Sr. No	Particulars	
	<p>profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
10.	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	Reduction of capital
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	Debentures
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	Issue of Sweat Equity Shares
13.	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>	ESOP

Sr. No	Particulars	
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue,	Shares at the disposal of the Directors.

Sr. No	Particulars	
	allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time	Liability of Members.

Sr. No	Particulars	
	to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.	Share Certificates.

Sr. No	Particulars	
	<p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>
30.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>	<p>The first named joint holder deemed Sole holder.</p>
	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	<p>Maximum number of joint holders.</p>

Sr. No	Particulars	
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the	Calls to date from resolution.

Sr. No	Particulars	
	discretion of the Directors on such subsequent date as may be fixed by Directors.	
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Proof on trial of suit for money due on shares.
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any	Judgment, decree, partial payment motto proceed for forfeiture.

Sr. No	Particulars	
	indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	
44.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	Payments in Anticipation of calls may carry interest
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	Company to have Lien on shares.
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the	As to enforcing lien by sale.

Sr. No	Particulars	
	Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the	Notice of forfeiture to a Member

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	forfeiture, with the date thereof shall forthwith be made in the Register of Members.	
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive	Forfeiture may be remitted.

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	the same, or on any other terms which the Director may deem reasonable.	
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	Transfer Form.
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.

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64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	Directors may refuse to register transfer.
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders.
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.	Recognition of legal representative.

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	<p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
72.	<p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	<p>Titles of Shares of deceased Member</p>
73.	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	<p>Notice of application when to be given</p>
74.	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer</p>	<p>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</p>

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	in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the	Nomination

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	<p>Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	Transmission of Securities by nominee
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.

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	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
86.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	Deposit of share warrants
87.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	Privileges and disabilities of the holders of share warrant

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88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender,	Issue of discount etc. or with special privileges.

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	allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these	When a Director or any two Members may call an Extra Ordinary General Meeting

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	Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
104.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	Chairman with consent may adjourn meeting.
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
	VOTES OF MEMBERS	

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108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.	Votes of joint members.

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	b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before	Appointment of a Proxy.

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	the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
	DIRECTORS	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Additional and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
127.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be</p>	Nominee Directors.

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	<p>entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
128.	<p>The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.</p>	Appointment of alternate Director.
129.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.</p>	Additional Director
130.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.</p>	Directors power to fill casual vacancies.
131.	<p>Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.</p>	Sitting Fees.
132.	<p>The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.</p>	Travelling expenses Incurred by Director on Company's business.
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	Meetings of Directors.

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134.	<p>a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.</p>	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	Continuing directors may act notwithstanding any vacancy in the Board
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
139.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>	Chairperson of Committee Meetings
140.	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>	Meetings of the Committee

Sr. No	Particulars	
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.

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	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound	To conduct legal proceedings.

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	and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or	Transfer to Reserve Funds.

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	<p>debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p>	
	<p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>	<p>To appoint and remove officers and other employees.</p>
	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think</p>	<p>To appoint Attorneys.</p>

Sr. No	Particulars	
	fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.	

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	(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other</p>	

Sr. No	Particulars	
	<p>Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	Powers to appoint Managing/ Wholetime Directors.
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Wholetime Director.
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors</p>	Powers and duties of Managing Director or Whole-time Director.

Sr. No	Particulars	
	<p>as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholtime Director or Wholtime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
149.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time	The seal, its custody and use.

Sr. No	Particulars	
	<p>to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	Dividend and Reserves	
151.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	Division of profits.
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.	Transfer to reserves

Sr. No	Particulars	
	b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles .
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.

Sr. No	Particulars	
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
	CAPITALIZATION	
165.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	Capitalization.
166.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the</p>	Fractional Certificates.

Sr. No	Particulars	
	<p>application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	
167.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of ₹ 10/- per page or any part thereof.</p>	Inspection of Minutes Books of General Meetings.
168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	Inspection of Accounts
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.

Sr. No	Particulars	
	WINDING UP	
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	INDEMNITY	
173.	<p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	Directors' and others right to indemnity.
174.	<p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or</p>	Not responsible for acts of others

Sr. No	Particulars	
	misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 402 Fourth Floor, Campus Corner, St. Xaviers College Cross Road, Navrangpura, Ahmedabad, Gujarat - 380009 India from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated September 25, 2019 between our Company and the Lead Manager;
2. Registrar to the issue agreement dated September 25, 2019 between our Company and Link Intime India Private Limited, Registrar to the Issue;
3. Underwriting Agreement dated [●] between our Company and Underwriter viz. Pantomath Capital Advisors Private Limited;
4. Market Making Agreement dated [●] between our Company, Market Maker and the Lead Manager;
5. Banker to the Issue Agreement dated [●] amongst our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue;
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated December 18, 2018;
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated December 18, 2018

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time;
2. Resolution of the Board of Directors dated February 18, 2019 in relation to the Issue and other related matters;
3. Special Resolution of the shareholders passed at the Extraordinary General Meeting dated February 21, 2019 authorizing the Issue;
4. Statement of Tax Benefits dated September 25, 2019 issued by Statutory Auditor i.e. M/s. Patel & Jesalpura, Chartered Accountants;
5. Report of the Statutory Auditor dated September 25, 2019 on the Restated Financial Statements for the financial year ended March 31, 2019, 2018 & 2017 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Banker to the Issue, Refund Banker and Sponsor Bank to the Issue to act in their respective capacities.
7. Copy of In-Principal approval from NSE Limited vide letter dated [●], to use its name in this Issue document for listing of Equity Shares on EMERGE Platform of NSE Limited.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, SCRA, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

Signed by all the Directors of our Company.

Name and Designation	Signature
Hiralal Rai <i>Chairman & Managing Director</i> DIN: 00062823	sd/-
Alok Rai <i>Whole Time Director</i> DIN: 02639848	sd/-
Shalini Rai <i>Non - Executive Director</i> DIN: 07136589	sd/-
Darsha Kikani <i>Independent Director</i> DIN: 00155791	sd/-
Bhavesh Parmar <i>Independent Director</i> DIN: 08323419	sd/-

Signed by Chief Financial Officer of the Company.

sd/-

Nirav Shah

Chief Financial Officer

Place: Ahmedabad

Date: September 30, 2019

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr · N o	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Open ing price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Manorama Industries Limited	64.00	188.00	October 04, 2018	190.20	-2.26% (-0.45%)	5.69% (3.09%)	6.38% (10.53%)
2.	Innovative Ideals and Services (India) Limited	12.26	40.00	October 05, 2018	43.00	215.00% (1.85%)	320.25% (4.41%)	299.75% (13.61%)
3.	Vinny Overseas Limited	10.37	40.00	October 11, 2018	40.50	11.25% (3.43%)	12.25% (5.54%)	5.00% (13.38%)
4.	Shubhlaxmi Jewel Art Limited	6.51	26.00	December 04, 2018	27.10	33.85% (-0.71%)	111.54% (-0.06%)	360.38% (9.69%)
5.	Deccan Health Care Limited	42.12	100.00	December 31, 2018	108.00	28.40% (-1.32%)	7.05% (7.22%)	-10.55% (9.22%)
6.	Surani Steel Tubes Limited	12.92	52.00	February 06, 2019	53.10	-4.81% (-0.04%)	-7.69% (4.84%)	-19.33% (-0.59%)
7.	Ritco Logistics Limited	48.18	73.00	February 07, 2019	77.40	-5.00% (-0.81%)	-3.49% (4.75%)	-8.70% (-0.73%)
8.	Artedz Fabs Limited	8.32	36.00	March 29, 2019	40.00	5.56% (1.12%)	-9.44% (1.92%)	-32.78% (-0.31%)
9.	Par Drugs and Chemicals Limited	8.53	51.00	May 16, 2019	52.90	-6.47% (5.03%)	-7.84% (-2.94%)	Not Applicable
10.	Suich Industries Limited	30.86	75.00	June 13, 2019	68.50	-42.00% (-2.53%)	-61.93% (-6.53%)	Not Applicable

Note – Gensol Engineering Limited has registered its Red Herring Prospectus with Registrar of Companies for Initial Public Offering.

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.
2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
17-18	*30	610.90	-	-	4	10	7	9	-	2	6	12	3	7
18-19	**25#	477.04	-	-	7	2	4	11	1	2	10	3	2	7
19-20	***2\$	39.39	-	1	1	-	-	-	-	-	-	-	-	-

*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

**The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited, Ushanti Colour Chem Limited, Manorama Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited, Ritco Logistics Limited and Artedz Fabs Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018, August 02, 2018, October 04, 2018, October 05, 2018, October 11, 2018, December 04, 2018, December 31, 2018, February 06, 2019 February 07, 2019 and March 29, 2019 respectively.

***The script of Par Drugs and Chemicals Limited and Suich Industries Limited were listed on May 16, 2019 and June 13, 2019 respectively.

\$ The script of Par Drugs and Chemicals Limited and Suich Industries Limited have not completed 180 Days and 180 Days respectively from the date of listing.

As on 30th trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

Note: *Ambition Mica Limited is a Further Public Offering lead managed by Pantomath Capital Advisors Private Limited in the Financial Year 2017-18 and the same has not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*